


| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING | | | | | | FORM 3 AMENDED REPORT <input type="checkbox"/> | | | | |
|--|------------------|-------------|--|--|---|--|-------------------------------------|-------|-------|--------|
| APPLICATION FOR PERMIT TO DRILL | | | | | | 1. WELL NAME and NUMBER Morgan State 921-3611BS | | | | |
| 2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/> | | | | | | 3. FIELD OR WILDCAT NATURAL BUTTES | | | | |
| 4. TYPE OF WELL Gas Well <input type="checkbox"/> Coalbed Methane Well: NO <input type="checkbox"/> | | | | | | 5. UNIT or COMMUNITIZATION AGREEMENT NAME | | | | |
| 6. NAME OF OPERATOR KERR-MCGEE OIL & GAS ONSHORE, L.P. | | | | | | 7. OPERATOR PHONE 720 929-6515 | | | | |
| 8. ADDRESS OF OPERATOR P.O. Box 173779, Denver, CO, 80217 | | | | | | 9. OPERATOR E-MAIL julie.jacobson@anadarko.com | | | | |
| 10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) ML 22265 | | | 11. MINERAL OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> | | | 12. SURFACE OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> | | | | |
| 13. NAME OF SURFACE OWNER (if box 12 = 'fee') | | | | | | 14. SURFACE OWNER PHONE (if box 12 = 'fee') | | | | |
| 15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee') | | | | | | 16. SURFACE OWNER E-MAIL (if box 12 = 'fee') | | | | |
| 17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN') | | | 18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input checked="" type="checkbox"/> (Submit Commingling Application) NO <input type="checkbox"/> | | | 19. SLANT VERTICAL <input type="checkbox"/> DIRECTIONAL <input checked="" type="checkbox"/> HORIZONTAL <input type="checkbox"/> | | | | |
| 20. LOCATION OF WELL | FOOTAGES | | QTR-QTR | SECTION | TOWNSHIP | RANGE | MERIDIAN | | | |
| LOCATION AT SURFACE | 2096 FSL 729 FEL | | NESE | 36 | 9.0 S | 21.0 E | S | | | |
| Top of Uppermost Producing Zone | 2568 FSL 493 FEL | | NESE | 36 | 9.0 S | 21.0 E | S | | | |
| At Total Depth | 2568 FSL 493 FEL | | NESE | 36 | 9.0 S | 21.0 E | S | | | |
| 21. COUNTY UINTAH | | | 22. DISTANCE TO NEAREST LEASE LINE (Feet) 493 | | 23. NUMBER OF ACRES IN DRILLING UNIT 639 | | | | | |
| | | | 25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 615 | | 26. PROPOSED DEPTH MD: 10561 TVD: 10510 | | | | | |
| 27. ELEVATION - GROUND LEVEL 5036 | | | 28. BOND NUMBER 22013542 | | 29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 43-8496 | | | | | |
| Hole, Casing, and Cement Information | | | | | | | | | | |
| String | Hole Size | Casing Size | Length | Weight | Grade & Thread | Max Mud Wt. | Cement | Sacks | Yield | Weight |
| Surf | 12.25 | 8.625 | 0 - 2580 | 28.0 | J-55 LT&C | 0.2 | Type V | 180 | 1.15 | 15.8 |
| | | | | | | | Class G | 270 | 1.15 | 15.8 |
| Prod | 7.875 | 4.5 | 0 - 10561 | 11.6 | HCP-110 LT&C | 13.0 | Premium Lite High Strength | 320 | 3.38 | 12.0 |
| | | | | | | | 50/50 Poz | 1530 | 1.31 | 14.3 |
| ATTACHMENTS | | | | | | | | | | |
| VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES | | | | | | | | | | |
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | | | | | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN | | | | | |
| <input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE) | | | | | <input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER | | | | | |
| <input checked="" type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED) | | | | | <input checked="" type="checkbox"/> TOPOGRAPHICAL MAP | | | | | |
| NAME Danielle Piernot | | | | TITLE Regulatory Analyst | | | PHONE 720 929-6156 | | | |
| SIGNATURE | | | | DATE 12/19/2011 | | | EMAIL danielle.piernot@anadarko.com | | | |
| API NUMBER ASSIGNED 43047522900000 | | | | APPROVAL  Permit Manager | | | | | | |

Kerr-McGee Oil & Gas Onshore. L.P.**MORGAN STATE 921-361BS**

Surface: 2096 FSL / 729 FEL NESE
 BHL: 2568 FSL / 493 FEL NESE

Section 36 T9S R21E

Unitah County, Utah
 Mineral Lease: ML-22265

ONSHORE ORDER NO. 1**DRILLING PROGRAM**

1. & 2.a **Estimated Tops of Important Geologic Markers:**
Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

| <u>Formation</u> | <u>Depth</u> | <u>Resource</u> |
|------------------|--------------|-----------------|
| Uinta | 0 - Surface | |
| Green River | 1,333' | |
| Birds Nest | 1,654' | Water |
| Mahogany | 2,131' | Water |
| Wasatch | 4,585' | Gas |
| Mesaverde | 7,245' | Gas |
| Sego | 9,410' | Gas |
| Castlegate | 9,477' | Gas |
| MN5 | 9,910' | Gas |
| TVD = | 10,510' | |
| TD = | 10,561' | |

- 2.C Kerr McGee Oil & Gas Onshore LP (Kerr McGee) will either drill to the the Blackhawk formation, which is part of the Mesaverde formation, or the Wasatch/Mesaverde formation. If Kerr McGee drills to the Blackhawk formation (part of the Mesaverde formation), please refer to MN5 as the bottom formation. The attached Blackhawk Drilling Program includes Total Vertical Depth, Total Depth, and appropriate casing and cement programs for the deeper formation.

If Kerr McGee drills to the Wasatch/Mesaverde formation please refer to Sego as the bottom formation. The attached Wasatch/Mesaverde Drilling Program includes Total Vertical Depth, Total Depth, and appropriate casing and cement programs for the depths the Wasatch/Mesaverde formations are found.

3. **Pressure Control Equipment** (Schematic Attached)

Please refer to the attached Blackhawk Drilling Program and the Wasatch/Mesaverde Drilling Program

4. Proposed Casing & Cementing Program:

Please refer to the attached Blackhawk Drilling Program and the Wasatch/Mesaverde Drilling Program

5. Drilling Fluids Program:

Please refer to the attached Blackhawk Drilling Program and the Wasatch/Mesaverde Drilling Program

6. Evaluation Program:

Please refer to the attached Blackhawk Drilling Program and the Wasatch/Mesaverde Drilling Program

7. Abnormal Conditions:**7.a Blackhawk (Part of Mesaverde Formation) Target Formation**

Maximum anticipated bottom hole pressure calculated at 10510' TVD, approximately equals
6,937 psi (0.66 psi/ft = actual bottomhole gradient)

Maximum Anticipated Bottom Hole Pressure (MABHP) = Pore Pressure at TD

Maximum anticipated surface pressure equals approximately 4,672 psi (bottom hole pressure
minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot, per Onshore Order No. 2).

Per Onshore Order No. 2 - Max Anticipated Surf. Press.(MASP) = (Pore Pressure at next csg point-
(0.22 psi/ft-partial evac gradient x TVD of next csg point))

7.b Wasach/Mesaverde Target Formation

Maximum anticipated bottom hole pressure calculated at 9410' TVD, approximately equals
6,022 psi (0.64 psi/ft = actual bottomhole gradient)

Maximum Anticipated Bottom Hole Pressure (MABHP) = Pore Pressure at TD

Maximum anticipated surface pressure equals approximately 3,939 psi (bottom hole pressure
minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot, per Onshore Order No. 2).

Per Onshore Order No. 2 - Max Anticipated Surf. Press.(MASP) = (Pore Pressure at next csg point-
(0.22 psi/ft-partial evac gradient x TVD of next csg point))

8. Anticipated Starting Dates:

Drilling is planned to commence immediately upon approval of this application.

9. Variances:

Please refer to the attached Blackhawk Drilling Program and the Wasatch/Mesaverde Drilling Program
Onshore Order #2 – Air Drilling Variance

Kerr-McGee Oil & Gas Onshore LP (KMG) respectfully requests a variance to several requirements
associated with air drilling outlined in Onshore Order 2

- Blowout Prevention Equipment (BOPE) requirements;
- Mud program requirements; and
- Special drilling operation (surface equipment placement) requirements associated
with air drilling.

This Standard Operating Practices addendum provides supporting information as to why KMG current air drilling practices for constructing the surface casing hole should be granted a variance to Onshore Order 2 air drilling requirements.

The reader should note that the air rig is used only to construct a stable surface casing hole through a historically difficult lost circulation zone. A conventional rotary rig follows the air rig, and is used to drill and construct the majority of the wellbore.

More notable, KMG has used the air rig layout and procedures outlined below to drill the surface casing hole in approximately 675 wells without incident of blow out or loss of life.

Background

In a typical well, KMG utilizes an air rig for drilling the surface casing hole, an interval from the surface to surface casing depths, which varies in depth from 1,700 to 2,800 feet. The air rig drilling operation does not drill through productive or over pressured formations in KMG field, but does penetrate the Uinta and Green River Formations. The purpose of the air drilling operation is to overcome the severe loss circulation zone in the Green River known as the Bird's Nest while creating a stable hole for the surface casing. The surface casing hole is generally drilled to approximately 500 feet below the Bird's Nest.

Before the surface air rig is mobilized, a rathole rig is utilized to set and cement conductor pipe through a competent surface formation. Generally, the conductor is set at 40 feet. In some cases, conductor may be set deeper in areas that the surface formation is not found competent. This rig also drills the rat and mouse holes in preparation for the surface casing and production string drilling operations.

The air rig is then mobilized to drill the surface casing hole by drilling a 12 1/4 inch hole for the first 200 feet, then will drill a 11 inch hole to just above the Bird's Nest interval with an air hammer. The hammer is then tripped and replaced with a 11 inch tri-cone bit. The tri-cone bit is used to drill to the surface casing point, approximately 500 feet below the loss circulation zone (Bird's Nest). The 8-5/8 inch surface casing is then run and cemented in place, thereby isolating the lost circulation zone.

KMG fully appreciates Onshore Order 2 well control and safety requirements associated with a typical air drilling operations. However, the requirements of Onshore Order 2 are excessive with respect to the air rig layout and drilling operation procedures that are currently in practice to drill and control the surface casing hole in KMG Fields.

Variance for BOPE Requirements

The air rig operation utilizes a properly lubricated and maintained air bowl diverter system which diverts the drilling returns to a six-inch blooie line. The air bowl is the only piece of BOPE equipment which is installed during drilling operations and is sufficient to contain the air returns associated with this drilling operation. As was discussed earlier, the drilling of the surface hole does not encounter any over pressured or productive zones, and as a result standard BOPE equipment should not be required. In addition, standard drilling practices do not support the use of BOPE on 40 feet of conductor pipe.

Variance for Mud Material Requirements

Onshore Order 2 also states that sufficient quantities of mud materials shall be maintained or readily accessible for the purpose of assuring adequate well control. Once again, the surface hole drilling operations does not encounter over pressured or productive intervals, and as a result there is not a need to control pressure in the surface hole with a mud system. Instead of mud, the air rigs utilize water from the reserve pit for well control, if necessary. A skid pump which is located near the reserve pit (see attachment) will supply the water to the well bore.

Variance for Special Drilling Operation (surface equipment placement) Requirements

Onshore Order 2 requires specific safety distances or setbacks for the placement of associated standard air drilling equipment, wellbore, and reserve pits. The air rigs used to drill the surface holes are not typical of an air rig used to drill a producing hole in other parts of the US. These are smaller in nature and designed to fit a KMG location. The typical air rig layout for drilling surface hole in the field is attached.

Typically the blooie line discharge point is required to be 100 feet from the well bore. In the case of a KMG well, the reserve pit is only 45 feet from the rig and is used for the drill cuttings. The blooie line, which transports the drill cuttings from the well to the reserve pit, subsequently discharges only 45 feet from the well bore.

Typically the air rig compressors are required to be located in the opposite direction from the blooie line and a minimum of 100 feet from the well bore. At the KMG locations, the air rig compressors are approximately 40 feet from the well bore and approximately 60 feet from the blooie line discharge due to the unique air rig design. The air compressors (see attachment) are located on the rig (1250 cfm) and on a standby trailer (1170 cfm). A booster sits between the two compressors and boosts the output from 350 psi to 2000 psi. The design does put the booster and standby compressor opposite from the blooie line.

Lastly, Onshore Order 2 addresses the need for an automatic igniter or continuous pilot light on the blooie line. The air rig does not utilize an igniter as the surface hole drilling operation does not encounter productive formations.

Variance for FIT Requirements

KMG also respectfully requests a variance to Onshore Order 2, Section III, Part Bi, for the pressure integrity test (PIT, also known as a formation integrity test (FIT)). This well is not an exploratory well and is being drilled in an area where the formation integrity is well known. Additionally, when an FIT is run with the mud weight as required, the casing shoe frequently breaks down and causes subsequent lost circulation when drilling the entire depth of the well.

Conclusion

The air rig operating procedures and the attached air rig layout have effectively maintained well control while drilling the surface holes in KMG Fields. KMG respectfully requests a variance from Onshore Order 2 with respect to air drilling well control requirements as discussed above.

10. Other Information:

Please refer to the attached Blackhawk Drilling Program and the Wasatch/Mesaverde Drilling Program



KERR-McGEE OIL & GAS ONSHORE LP
BLACKHAWK DRILLING PROGRAM

| | | | | | | | | | |
|-------------------|---|-----------|------------|-------------|-------|--------|--------------------|-----|------------|
| COMPANY NAME | KERR-McGEE OIL & GAS ONSHORE LP | | | | | DATE | December 19, 2011 | | |
| WELL NAME | MORGAN STATE 921-3611BS | | | | | TD | 10,510' | TVD | 10,561' MD |
| FIELD | Natural Buttes | | COUNTY | Uintah | STATE | Utah | FINISHED ELEVATION | | 5,035' |
| SURFACE LOCATION | NESE | 2096 FSL | 729 FEL | Sec 36 | T 9S | R 21E | | | |
| | Latitude: | 39.991111 | Longitude: | -109.492577 | | NAD 27 | | | |
| BTM HOLE LOCATION | NESE | 2568 FSL | 493 FEL | Sec 36 | T 9S | R 21E | | | |
| | Latitude: | 39.992393 | Longitude: | -109.491733 | | NAD 27 | | | |
| OBJECTIVE ZONE(S) | BLACKHAWK | | | | | | | | |
| ADDITIONAL INFO | Regulatory Agencies: UDOGM (Minerals), UDOGM (Surface), UDOGM Tri-County Health Dept. | | | | | | | | |

| GEOLOGICAL | | | MECHANICAL | | |
|------------|-----------|-------------|------------|-------------------------|------------|
| LOGS | FORMATION | DEPTH | HOLE SIZE | CASING SIZE | MUD WEIGHT |
| | | 40' | | 14" | |
| | | 200' | 12-1/4" | 8-5/8", 28#, IJ-55, LTC | Air mist |
| | | | 11.00' | 8-5/8", 28#, IJ-55, LTC | Air mist |
| | | 1,333' | | | |
| | | 1,654' | | | |
| | | 2,131' | | | |
| | | 2,580' TVD | | | |
| | | | | | |
| | | 4,585' | | | |
| | | | | | |
| | | 7,245' TVD | | | |
| | | 9,410' TVD | | | |
| | | 9,477' TVD | | | |
| | | 9,910' TVD | | | |
| | | 10,510' TVD | | | |
| | | 10,561' MD | | | |



KERR-McGEE OIL & GAS ONSHORE LP

BLACKHAWK DRILLING PROGRAM

CASING PROGRAM

| | SIZE | INTERVAL | WT. | GR. | CPLG. | DESIGN FACTORS | | | |
|------------|--------|------------------|-------|---------|-------|----------------|----------|---------|---------|
| | | | | | | BURST | COLLAPSE | LTC | DQX |
| | | | | | | | | TENSION | |
| CONDUCTOR | 14" | 0-40' | | | | 3,390 | 1,880 | 348,000 | N/A |
| SURFACE | 8-5/8" | 0 to 2,580 | 28.00 | IJ-55 | LTC | 2.09 | 1.56 | 5.50 | N/A |
| | | | | | | 10,690 | 8,650 | 279,000 | 367,174 |
| PRODUCTION | 4-1/2" | 0 to 5,000 | 11.60 | HCP-110 | DQX | 1.19 | 1.22 | | 3.74 |
| | 4-1/2" | 5,000 to 10,561' | 11.60 | HCP-110 | LTC | 1.19 | 1.22 | 5.40 | |

Surface Casing:

(Burst Assumptions: TD = 13.0 ppg)

0.73 psi/ft = frac gradient @ surface shoe

Fracture at surface shoe with 0.1 psi/ft gas gradient above

(Collapse Assumption: Fully Evacuated Casing, Max MW)

(Tension Assumptions: Air Weight of Casing*Buoys.Fact. of water)

Production casing:

(Burst Assumptions: Pressure test with 8.4ppg @

9000 psi)

0.66 psi/ft = bottomhole gradient

(Collapse Assumption: Fully Evacuated Casing, Max MW)

(Tension Assumptions: Air Weight of Casing*Buoys.Fact. of water)

CEMENT PROGRAM

| | | FT. OF FILL | DESCRIPTION | SACKS | EXCESS | WEIGHT | YIELD |
|------------|----------------------|-------------|--|---------|--------|--------|-------|
| SURFACE | LEAD | 500' | Premium cmt + 2% CaCl | 180 | 60% | 15.80 | 1.15 |
| | | | + 0.25 pps flocele | | | | |
| Option 1 | TOP OUT CMT (6 jobs) | 1,200' | 20 gals sodium silicate + Premium cmt | 270 | 0% | 15.80 | 1.15 |
| | | | + 2% CaCl + 0.25 pps flocele | | | | |
| SURFACE | | | NOTE: If well will circulate water to surface, option 2 will be utilized | | | | |
| Option 2 | LEAD | 2,080' | 65/35 Poz + 6% Gel + 10 pps gilsonite | 190 | 35% | 11.00 | 3.82 |
| | | | + 0.25 pps Flocele + 3% salt BWOW | | | | |
| | TAIL | 500' | Premium cmt + 2% CaCl | 150 | 35% | 15.80 | 1.15 |
| | | | + 0.25 pps flocele | | | | |
| | TOP OUT CMT | as required | Premium cmt + 2% CaCl | as req. | | 15.80 | 1.15 |
| PRODUCTION | LEAD | 4,081' | Premium Lite II +0.25 pps | 320 | 35% | 12.00 | 3.38 |
| | | | celloflake + 5 pps gilsonite + 10% gel | | | | |
| | | | + 0.5% extender | | | | |
| | TAIL | 6,480' | 50/50 Poz/G + 10% salt + 2% gel | 1,530 | 35% | 14.30 | 1.31 |
| | | | + 0.1% R-3 | | | | |

*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

| | |
|------------|--|
| SURFACE | Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe |
| | |
| PRODUCTION | Float shoe, 1 jt, float collar. 15 centralizers for a Mesaverde and 20 for a Blackhawk well. |
| | |

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. The BOPE will be installed before the production hole is drilled and tested to 5,000 psi (annular to 2,500 psi) prior to drilling out the surface casing shoe. Record on chart recorder and tour sheet. Function test rams on each trip. Maintain safety valve and inside BOP on rig floor at all times. Most rigs have top drives; however, if used, the Kelly is to be equipped with upper and lower kelly valves.

Surveys will be taken at 1,000' minimum intervals.

Most rigs have PVT System for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER:

Nick Spence / Danny Showers / Chad Loesel

DATE:

DRILLING SUPERINTENDENT:

Kenny Gathings / Lovel Young

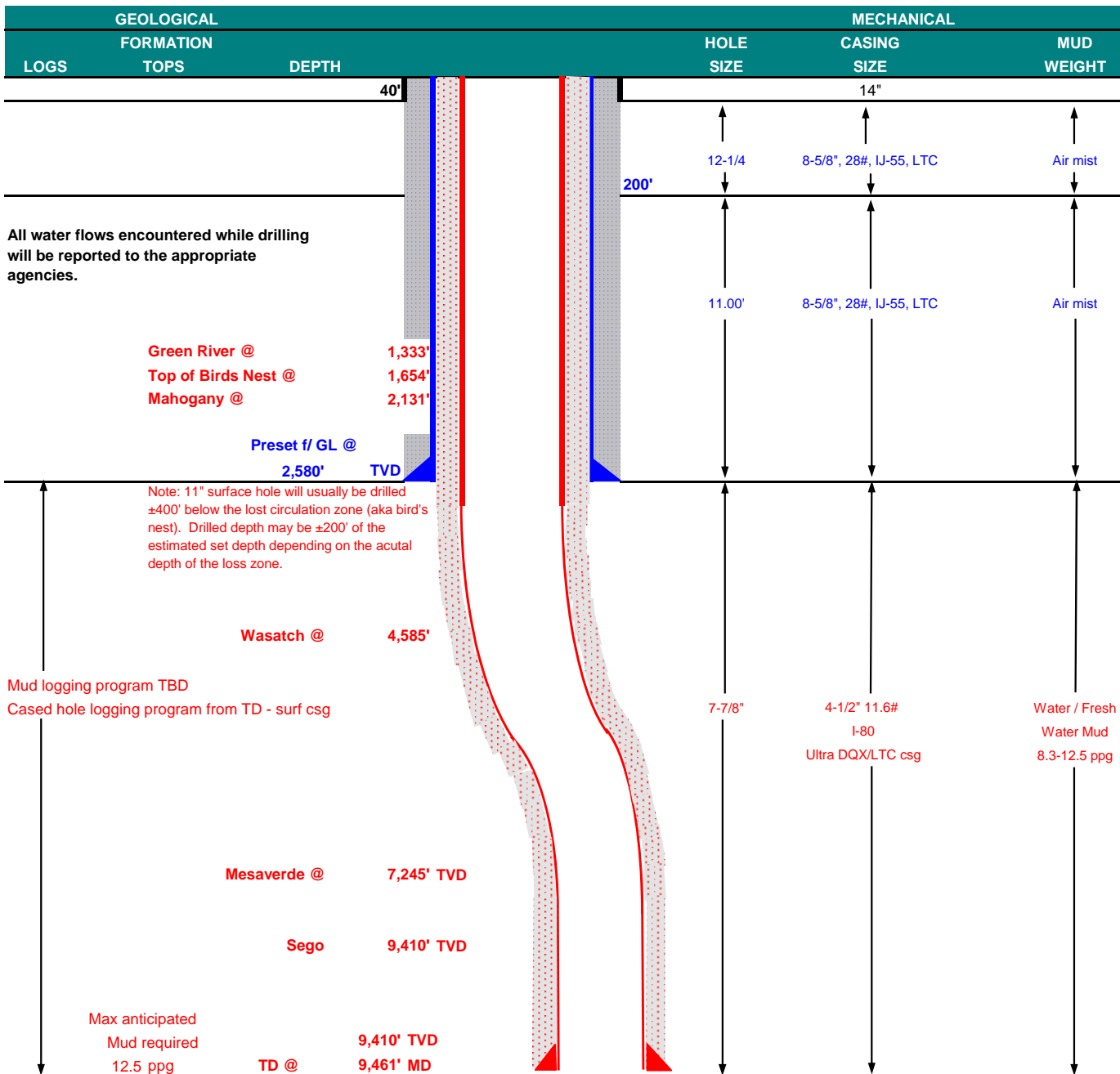
DATE:

RECEIVED: December 19, 2011



KERR-McGEE OIL & GAS ONSHORE LP WASATCH/MESAVERDE DRILLING PROGRAM

| | | | | | | | | | |
|-------------------|---|-----------|------------|-------------|--------|-------|--------------------|-----|-----------|
| COMPANY NAME | KERR-McGEE OIL & GAS ONSHORE LP | | | | | DATE | December 19, 2011 | | |
| WELL NAME | MORGAN STATE 921-361BS | | | | | TD | 9,410' | TVD | 9,461' MD |
| FIELD | Natural Buttes | | COUNTY | Uintah | STATE | Utah | FINISHED ELEVATION | | 5,035' |
| SURFACE LOCATION | NESE | 2096 FSL | 729 FEL | Sec 36 | T 9S | R 21E | | | |
| | Latitude: | 39.991111 | Longitude: | -109.492577 | NAD 27 | | | | |
| BTM HOLE LOCATION | NESE | 2568 FSL | 493 FEL | Sec 36 | T 9S | R 21E | | | |
| | Latitude: | 39.992393 | Longitude: | -109.491733 | NAD 27 | | | | |
| OBJECTIVE ZONE(S) | Wasatch/Mesaverde | | | | | | | | |
| ADDITIONAL INFO | Regulatory Agencies: UDOGM (Minerals), UDOGM (Surface), UDOGM Tri-County Health Dept. | | | | | | | | |



**KERR-McGEE OIL & GAS ONSHORE LP****WASATCH/MESAVERDE DRILLING PROGRAM****CASING PROGRAM**

| | | | | | | DESIGN FACTORS | | | |
|------------|--------|----------|-----------|-------|-------|----------------|-------|----------|---------|
| | | | | | | LTC | | DQX | |
| | SIZE | INTERVAL | | WT. | GR. | CPLG. | BURST | COLLAPSE | TENSION |
| CONDUCTOR | 14" | 0-40' | | | | | | | |
| | | | | | | | 3,390 | 1,880 | 348,000 |
| SURFACE | 8-5/8" | 0 | to 2,580 | 28.00 | IJ-55 | LTC | 2.09 | 1.56 | 5.50 |
| | | | | | | | 7,780 | 6,350 | 267,035 |
| PRODUCTION | 4-1/2" | 0 | to 5,000 | 11.60 | I-80 | DQX | 1.11 | 1.04 | 3.01 |
| | | | | | | | 7,780 | 6,350 | 223,000 |
| | 4-1/2" | 5,000 | to 9,461' | 11.60 | I-80 | LTC | 1.11 | 1.04 | 5.33 |

Surface Casing:

(Burst Assumptions: TD = 12.5 ppg)

0.73 psi/ft = frac gradient @ surface shoe

Fracture at surface shoe with 0.1 psi/ft gas gradient above

(Collapse Assumption: Fully Evacuated Casing, Max MW)

(Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

Production casing:

(Burst Assumptions: Pressure test with 8.4ppg @

7000 psi)

0.64 psi/ft = bottomhole gradient

(Collapse Assumption: Fully Evacuated Casing, Max MW)

(Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

CEMENT PROGRAM

| | | FT. OF FILL | DESCRIPTION | SACKS | EXCESS | WEIGHT | | YIELD |
|------------|----------------------|---|--|---------|--------|--------|--|-------|
| SURFACE | LEAD | 500' | Premium cmt + 2% CaCl | 180 | 60% | 15.80 | | 1.15 |
| | | | + 0.25 pps flocele | | | | | |
| Option 1 | TOP OUT CMT (6 jobs) | 1,200' | 20 gals sodium silicate + Premium cmt | 270 | 0% | 15.80 | | 1.15 |
| | | | + 2% CaCl + 0.25 pps flocele | | | | | |
| SURFACE | | NOTE: If well will circulate water to surface, option 2 will be utilized | | | | | | |
| Option 2 | LEAD | 2,080' | 65/35 Poz + 6% Gel + 10 pps gilsonite | 190 | 35% | 11.00 | | 3.82 |
| | | | + 0.25 pps Flocele + 3% salt BWOW | | | | | |
| | TAIL | 500' | Premium cmt + 2% CaCl | 150 | 35% | 15.80 | | 1.15 |
| | | | + 0.25 pps flocele | | | | | |
| | TOP OUT CMT | as required | Premium cmt + 2% CaCl | as req. | | 15.80 | | 1.15 |
| PRODUCTION | LEAD | 4,081' | Premium Lite II +0.25 pps | 320 | 35% | 12.00 | | 3.38 |
| | | | celloflake + 5 pps gilsonite + 10% gel | | | | | |
| | | | + 0.5% extender | | | | | |
| | TAIL | 5,380' | 50/50 Poz/G + 10% salt + 2% gel | 1,270 | 35% | 14.30 | | 1.31 |
| | | | + 0.1% R-3 | | | | | |

*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

| | |
|------------|--|
| SURFACE | Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe |
| | |
| PRODUCTION | Float shoe, 1 jt, float collar. 15 centralizers for a Mesaverde and 20 for a Blackhawk well. |
| | |

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. The BOPE will be installed before the production hole is drilled and tested to 5,000 psi (annular to 2,500 psi) prior to drilling out the surface casing shoe. Record on chart recorder and tour sheet. Function test rams on each trip. Maintain safety valve and inside BOP on rig floor at all times. Most rigs have top drives; however, if used, the Kelly is to be equipped with upper and lower kelly valves.

Surveys will be taken at 1,000' minimum intervals.

Most rigs have PVT System for mud monitoring. If no PVT is available, visual monitoring will be utilized.

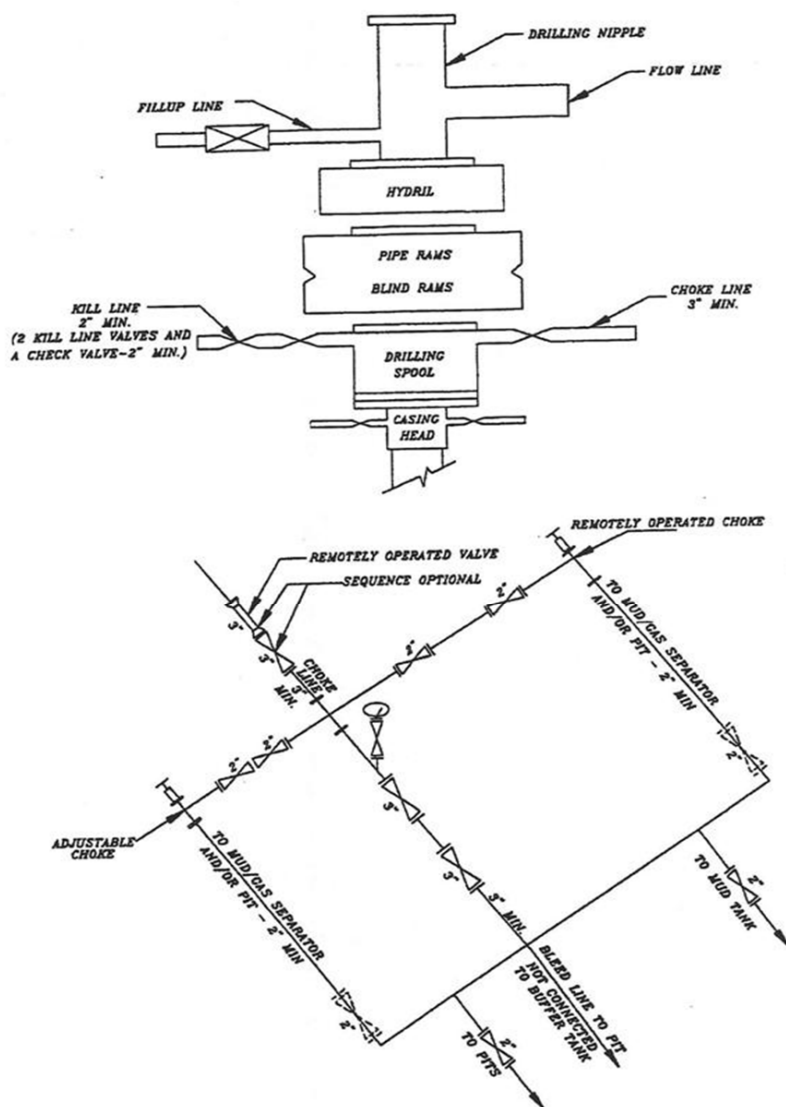
DRILLING ENGINEER:

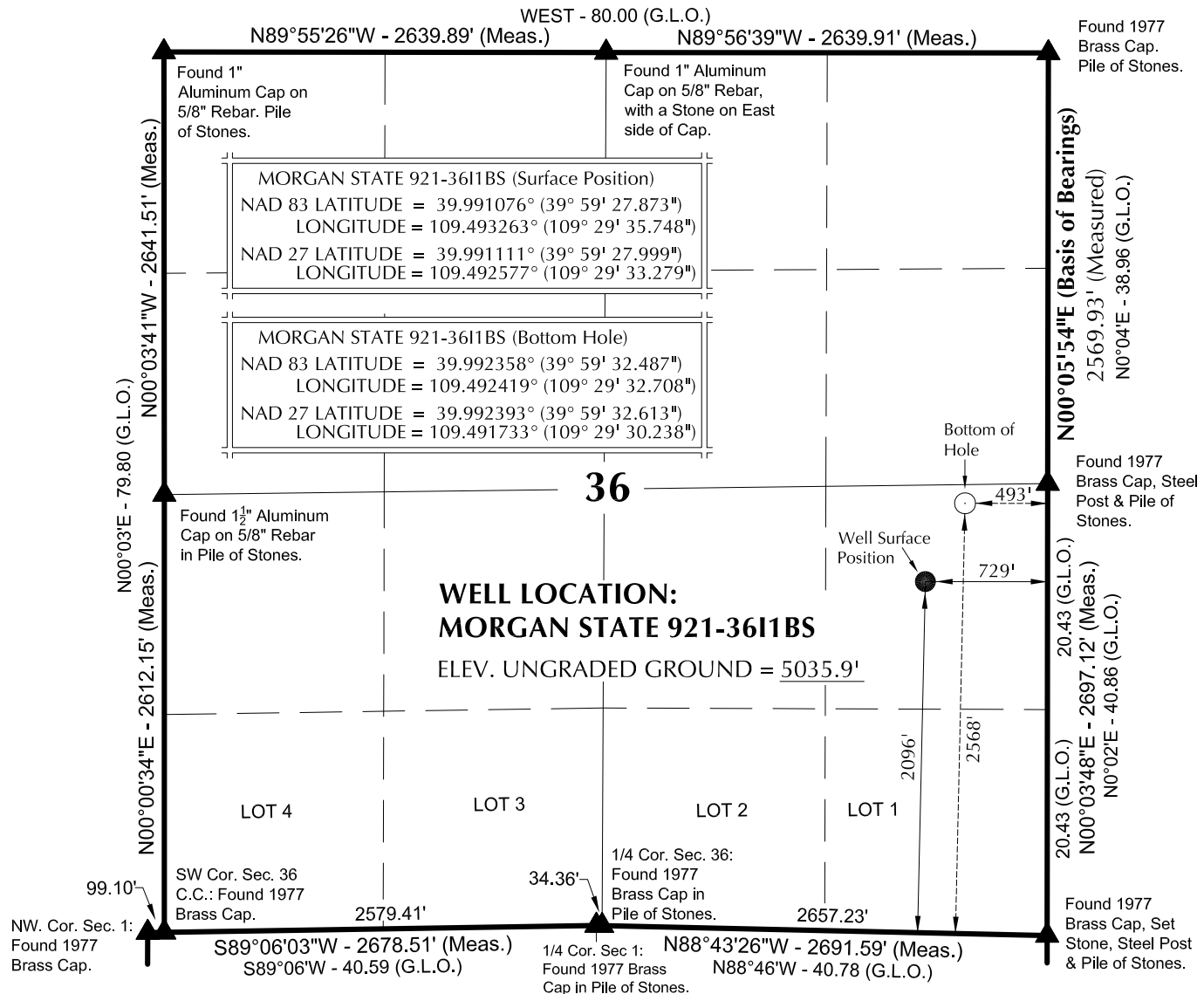
Nick Spence / Danny Showers / Chad Loesel

DATE:**DRILLING SUPERINTENDENT:**

Kenny Gathings / Lovel Young

DATE:**RECEIVED:** December 19, 2011

EXHIBIT A
MORGAN STATE 921-3611BS**SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK**

T9S, R21E, S.L.B.&M.**NOTES:**

▲ = Section Corners Located

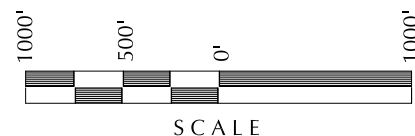
- Well footages are measured at right angles to the Section Lines.
- G.L.O. distances are shown in feet or chains.
1 chain = 66 feet.
- The Bottom of hole bears N26°53'55"E 523.59' from the Surface Position.
- Bearings are based on Global Positioning Satellite observations.
- Basis of elevation is Tri-Sta "Two Water" located in the NW 1/4 of Section 1, T10S, R21E, S.L.B.&M. The elevation of this Tri-Sta is shown on the Big Pack Mtn NE 7.5 Min. Quadrangle as being 5238'.

Kerr-McGee Oil & Gas Onshore, LP
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WELL PAD: MORGAN STATE 921-361

**MORGAN STATE 921-361BS
 WELL PLAT
 2568' FSL, 493' FEL (Bottom Hole)
 NE 1/4 SE 1/4 OF SECTION 36, T9S, R21E,
 S.L.B.&M., UTAH COUNTY, UTAH.**

CONSULTING, LLC
 2155 North Main Street
 Sheridan WY 82801
 Phone 307-674-0609
 Fax 307-674-0182

**SURVEYOR'S CERTIFICATE**

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

PROFESSIONAL LAND SURVEYOR
REGISTRATION NO. 6028691
STATE OF UTAH
DATE 11-11-11
JOHN R. SLAUGH

TIMBERLINE

(435) 789-1365

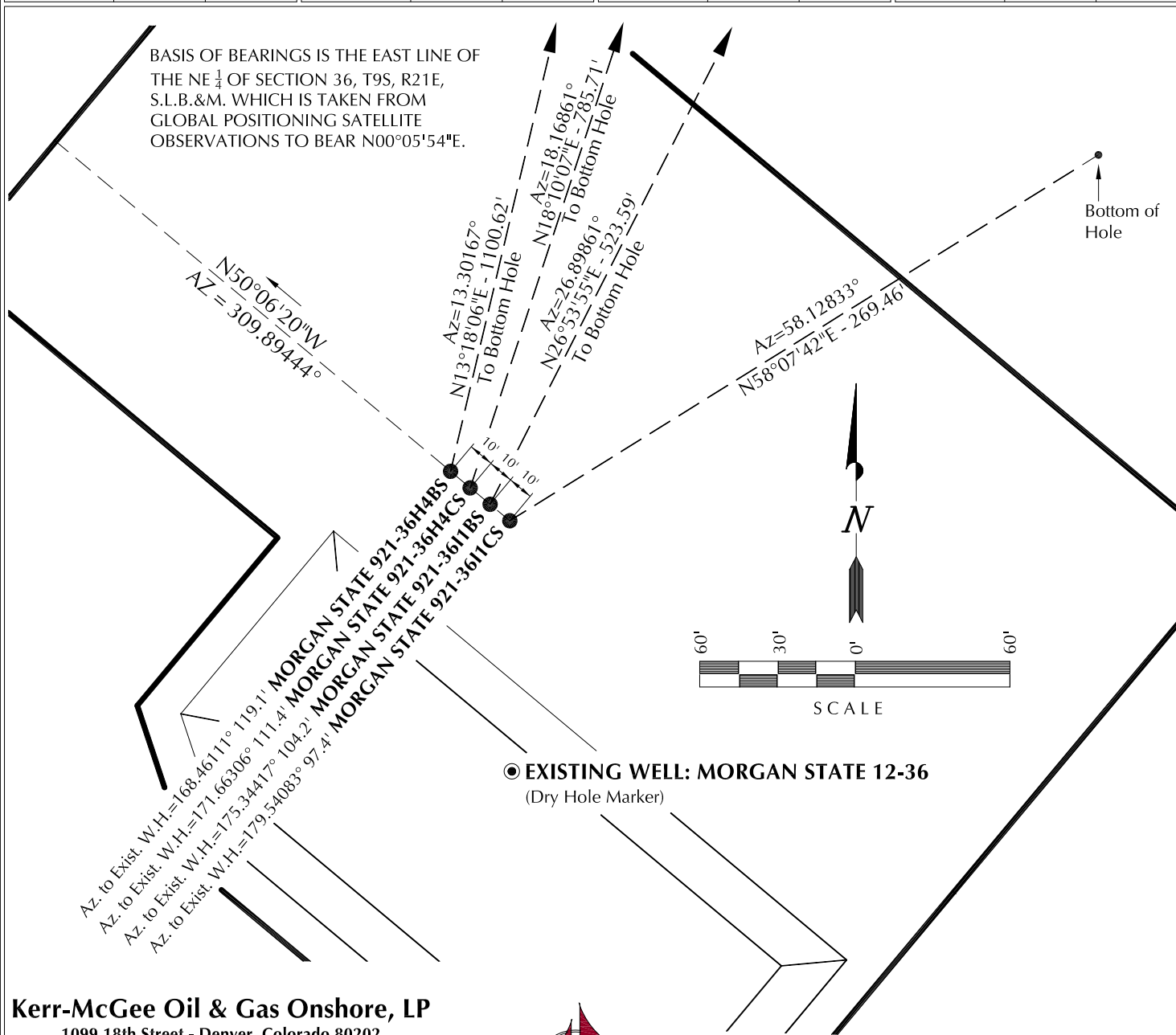
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 209 NORTH 300 WEST - VERNAL, UTAH 84078

| | | |
|---------------------------|--------------------|-----------|
| DATE SURVEYED: 9-20-11 | SURVEYED BY: J.W. | SHEET NO: |
| DATE DRAWN: 11-01-11 | DRAWN BY: T.J.R. | 2 |
| SCALE: 1" = 1000' | Date Last Revised: | 2 OF 16 |

| WELL NAME | SURFACE POSITION | | | | | BOTTOM HOLE | | | | |
|-------------------------|------------------|----------------|---------------|----------------|-----------------------|---------------|----------------|---------------|----------------|-----------------------|
| | NAD83 | | NAD27 | | FOOTAGES | NAD83 | | NAD27 | | FOOTAGES |
| | LATITUDE | LONGITUDE | LATITUDE | LONGITUDE | | LATITUDE | LONGITUDE | LATITUDE | LONGITUDE | |
| MORGAN STATE 921-3611CS | 39°59'27.810" | 109°29'35.650" | 39°59'27.936" | 109°29'33.180" | 2090' FSL 722' FEL | 39°59'29.216" | 109°29'32.711" | 39°59'29.342" | 109°29'30.242" | 2237' FSL 493' FEL |
| MORGAN STATE 921-3611BS | 39°59'27.873" | 109°29'35.748" | 39°59'27.999" | 109°29'33.279" | 2096' FSL 729' FEL | 39°59'32.487" | 109°29'32.708" | 39°59'32.613" | 109°29'30.238" | 2568' FSL 493' FEL |
| MORGAN STATE 921-36H4CS | 39°59'27.936" | 109°29'35.847" | 39°59'28.062" | 109°29'33.378" | 2102' FSL 737' FEL | 39°59'35.313" | 109°29'32.704" | 39°59'35.439" | 109°29'30.234" | 2402' FSL 493' FEL |
| MORGAN STATE 921-36H4BS | 39°59'28.000" | 109°29'35.946" | 39°59'28.126" | 109°29'33.476" | 2108' FSL 745' FEL | 39°59'38.583" | 109°29'32.698" | 39°59'38.709" | 109°29'30.228" | 2071' FSL 493' FEL |
| MORGAN STATE 12-36 | 39°59'26.847" | 109°29'35.639" | 39°59'26.973" | 109°29'33.170" | 1992' FSL 721' FEL | | | | | |

RELATIVE COORDINATES - From Surface Position to Bottom Hole

| WELL NAME | NORTH | EAST | WELL NAME | NORTH | EAST | WELL NAME | NORTH | EAST | WELL NAME | NORTH | EAST |
|-------------------------|--------|--------|-------------------------|--------|--------|-------------------------|--------|--------|-------------------------|---------|--------|
| MORGAN STATE 921-3611CS | 142.3' | 228.8' | MORGAN STATE 921-3611BS | 466.9' | 236.9' | MORGAN STATE 921-36H4CS | 746.5' | 245.0' | MORGAN STATE 921-36H4BS | 1071.1' | 253.2' |



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WELL PAD - MORGAN STATE 921-361

WELL PAD INTERFERENCE PLAT
WELLS - MORGAN STATE 921-3611CS,
MORGAN STATE 921-3611BS,
MORGAN STATE 921-36H4CS &
MORGAN STATE 921-36H4BS
LOCATED IN SECTION 36, T9S, R21E,
S.L.B.&M., UTAH COUNTY, UTAH.



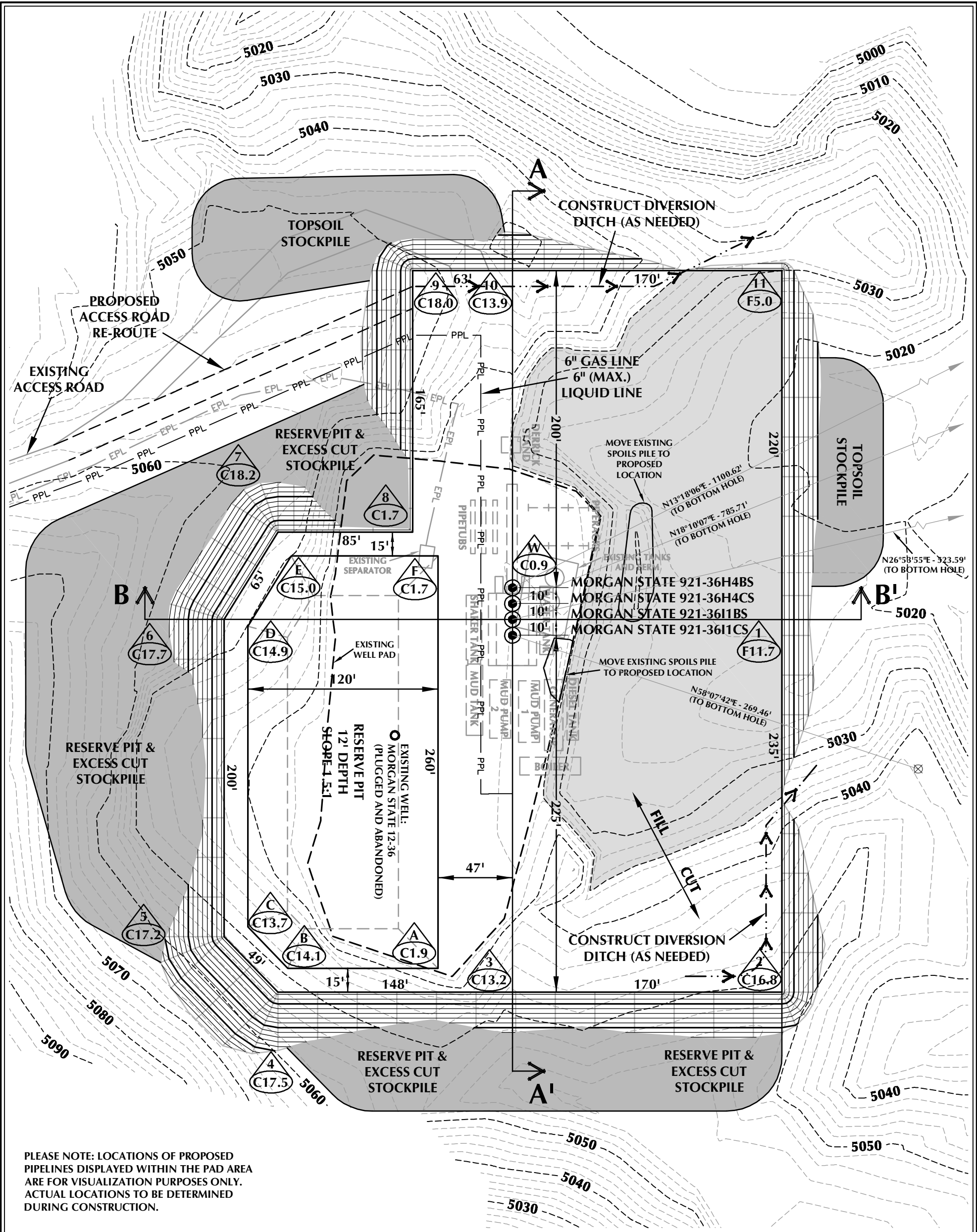
CONSULTING, LLC
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Phone 307-674-0609
Fax 307-674-0182

TIMBERLINE

(435) 789-1365

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209 NORTH 300 WEST - VERNAL, UTAH 84078

| | | |
|---------------------------|--------------------|----------------------------------|
| DATE SURVEYED: 9-20-11 | SURVEYED BY: J.W. | SHEET NO: 5 5 OF 16 |
| DATE DRAWN: 11-01-11 | DRAWN BY: T.J.R. | |
| SCALE: 1" = 60' | Date Last Revised: | |



WELL PAD - MORGAN STATE 921-36I DESIGN SUMMARY

EXISTING GRADE @ CENTER OF WELL PAD = 5035.9'
FINISHED GRADE ELEVATION = 5035.0'
CUT SLOPES = 1.5:1
FILL SLOPES = 1.5:1
TOTAL WELL PAD AREA = 4.00 ACRES
TOTAL DISTURBANCE AREA = 5.51 ACRES
SHRINKAGE FACTOR = 1.10
SWELL FACTOR = 1.00

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WELL PAD - MORGAN STATE 921-36I

WELL PAD - LOCATION LAYOUT
MORGAN STATE 921-36I1CS,
MORGAN STATE 921-36I1BS,
MORGAN STATE 921-36H4CS &
MORGAN STATE 921-36H4BS
LOCATED IN SECTION 36, T9S, R21E,
S.L.B.&M., UINTAH COUNTY, UTAH



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Sheridan, WY 82801
Phone 307-674-0609
Fax 307-674-0182

WELL PAD QUANTITIES

TOTAL CUT FOR WELL PAD = 22,071 C.Y.
TOTAL FILL FOR WELL PAD = 20,145 C.Y.
TOPSOIL @ 6" DEPTH = 2,458 C.Y.
EXCESS MATERIAL = 1,926 C.Y.

RESERVE PIT QUANTITIES

TOTAL CUT FOR RESERVE PIT
+/- 10,730 C.Y.
RESERVE PIT CAPACITY (2' OF FREEBOARD)
+/- 41,190 BARRELS

WELL PAD LEGEND

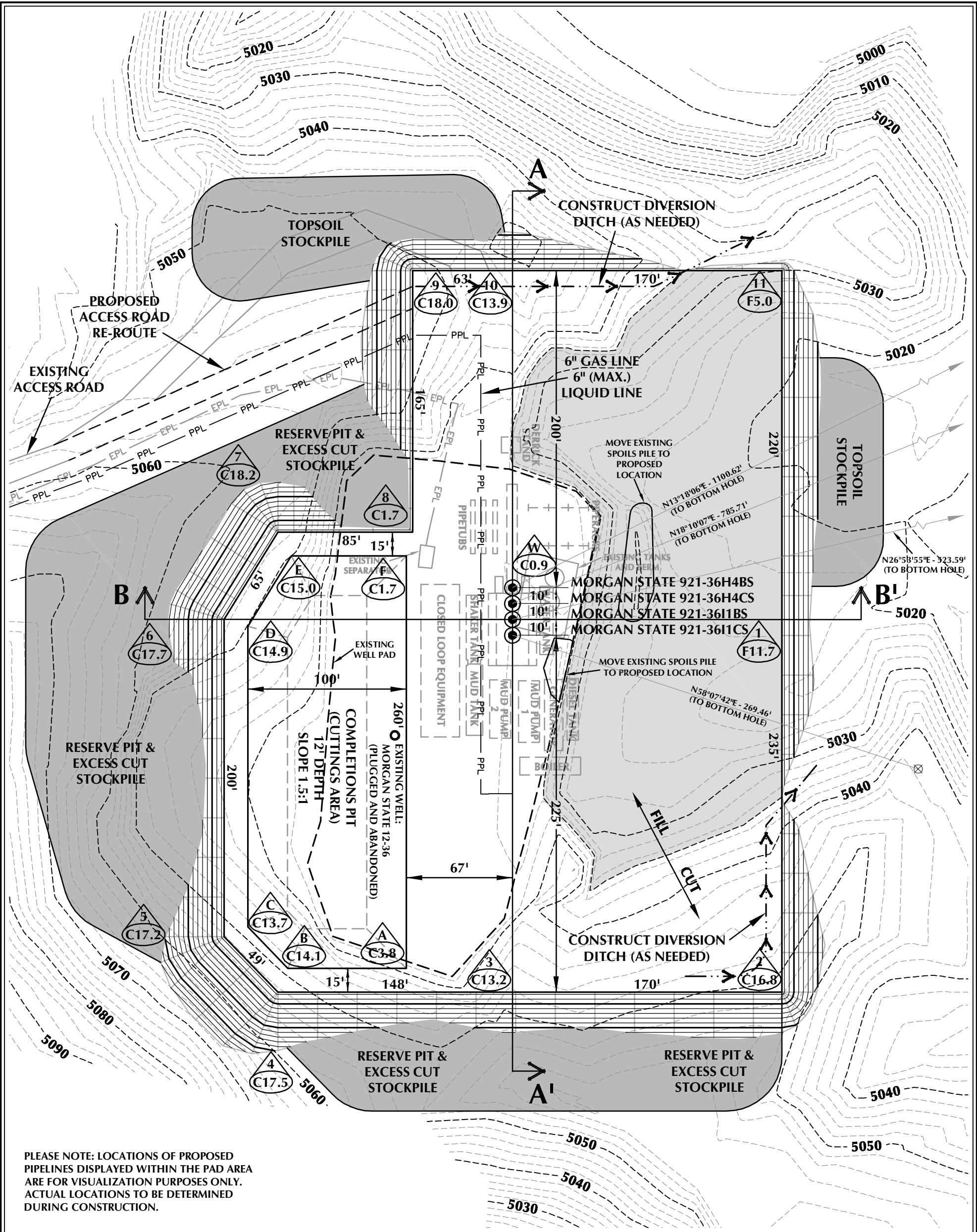
- EXISTING WELL LOCATION
- PROPOSED WELL LOCATION
- PROPOSED BOTTOM HOLE LOCATION
- EXISTING CONTOURS (2' INTERVAL)
- PROPOSED CONTOURS (2' INTERVAL)
- PPL - PROPOSED PIPELINE
- EPL - EXISTING PIPELINE



HORIZONTAL 0 30' 60' 1" = 60'
2' CONTOURS

SCALE: 1"=60' DATE: 11/11/11 SHEET NO:

REVISED: 6 6 OF 16



PLEASE NOTE: LOCATIONS OF PROPOSED PIPELINES DISPLAYED WITHIN THE PAD AREA ARE FOR VISUALIZATION PURPOSES ONLY. ACTUAL LOCATIONS TO BE DETERMINED DURING CONSTRUCTION.

WELL PAD - MORGAN STATE 921-36I (CLOSED LOOP) DESIGN SUMMARY

EXISTING GRADE @ CENTER OF WELL PAD = 5035.9'
FINISHED GRADE ELEVATION = 5035.0'
CUT SLOPES = 1.5:1
FILL SLOPES = 1.5:1
TOTAL WELL PAD AREA = 4.00 ACRES
TOTAL DISTURBANCE AREA = 5.51 ACRES
SHRINKAGE FACTOR = 1.10
SWELL FACTOR = 1.00

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WELL PAD - MORGAN STATE 921-36I

WELL PAD - LOCATION LAYOUT
MORGAN STATE 921-36I1CS,
MORGAN STATE 921-36I1BS,
MORGAN STATE 921-36H4CS &
MORGAN STATE 921-36H4BS
LOCATED IN SECTION 36, T9S, R21E,
S.L.B.&M., UINTAH COUNTY, UTAH



CONSULTING, LLC
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Sheridan, WY 82801
Phone 307-674-0609
Fax 307-674-0182

WELL PAD QUANTITIES

TOTAL CUT FOR WELL PAD = 22,071 C.Y.
TOTAL FILL FOR WELL PAD = 20,145 C.Y.
TOPSOIL @ 6" DEPTH = 2,458 C.Y.
EXCESS MATERIAL = 1,926 C.Y.

COMPLETIONS PIT QUANTITIES

TOTAL CUT FOR COMPLETIONS PIT
+/- 8,580 C.Y.
COMPLETIONS PIT CAPACITY
(2' OF FREEBOARD)
+/- 32,680 BARRELS

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WELL PAD LEGEND



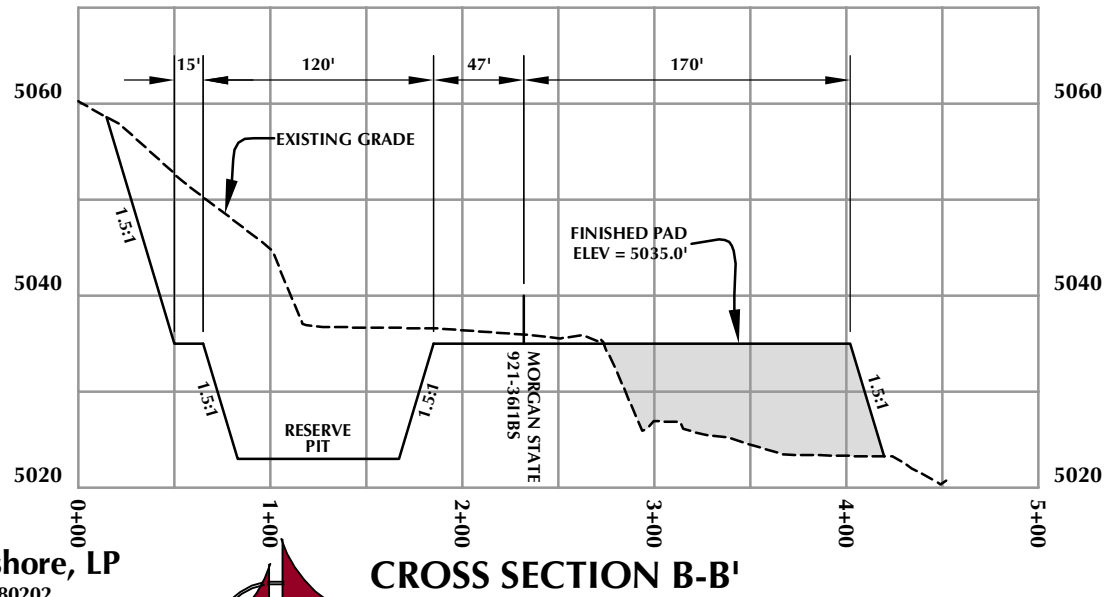
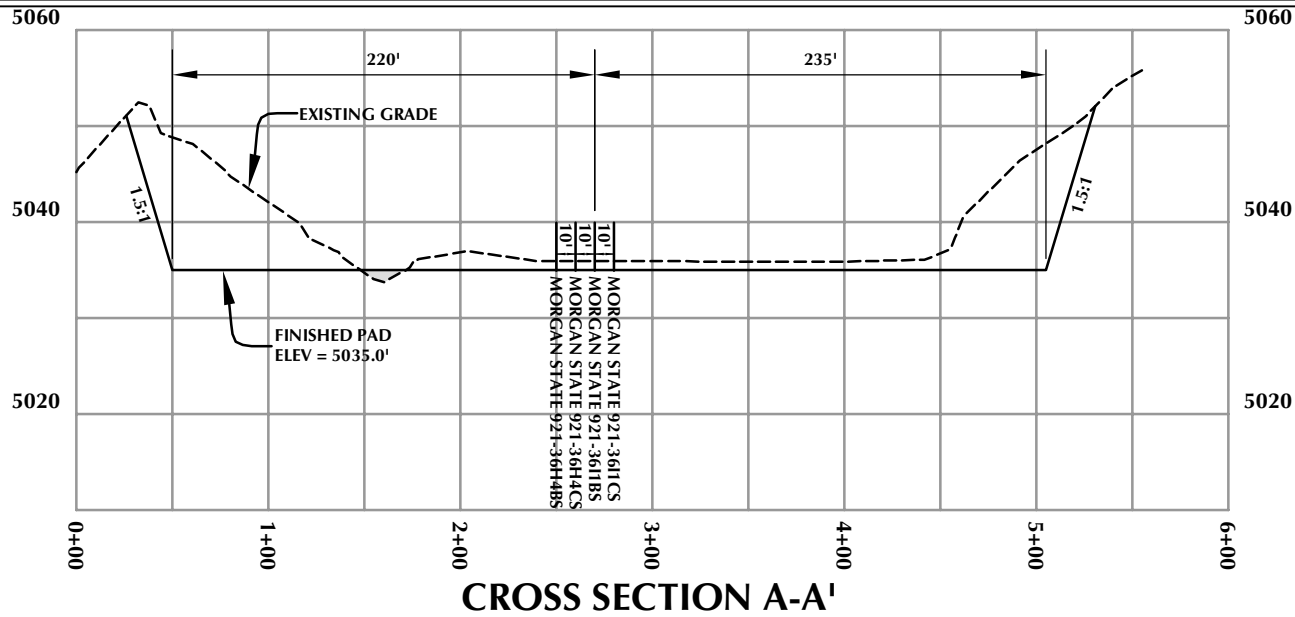
EXISTING WELL LOCATION
PROPOSED WELL LOCATION
PROPOSED BOTTOM HOLE LOCATION
EXISTING CONTOURS (2' INTERVAL)
PROPOSED CONTOURS (2' INTERVAL)
PPL
EPL
EXISTING PIPELINE



HORIZONTAL 0 30' 60' 1" = 60'
2' CONTOURS

SCALE: 1"=60' DATE: 11/15/11 SHEET NO:

REVISED: 6B 6B OF 16



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WELL PAD - MORGAN STATE 921-361

WELL PAD - CROSS SECTIONS
MORGAN STATE 921-361CS,
MORGAN STATE 921-361BS,
MORGAN STATE 921-36H4CS &
MORGAN STATE 921-36H4BS
LOCATED IN SECTION 36, T9S, R21E,
S.L.B.&M., UINTAH COUNTY, UTAH



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CROSS SECTION B-B'

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HORIZONTAL 0 50' 100' 1" = 100'
VERTICAL 0 10' 20' 1" = 20'

Scale: 1"=100'
REVISED:

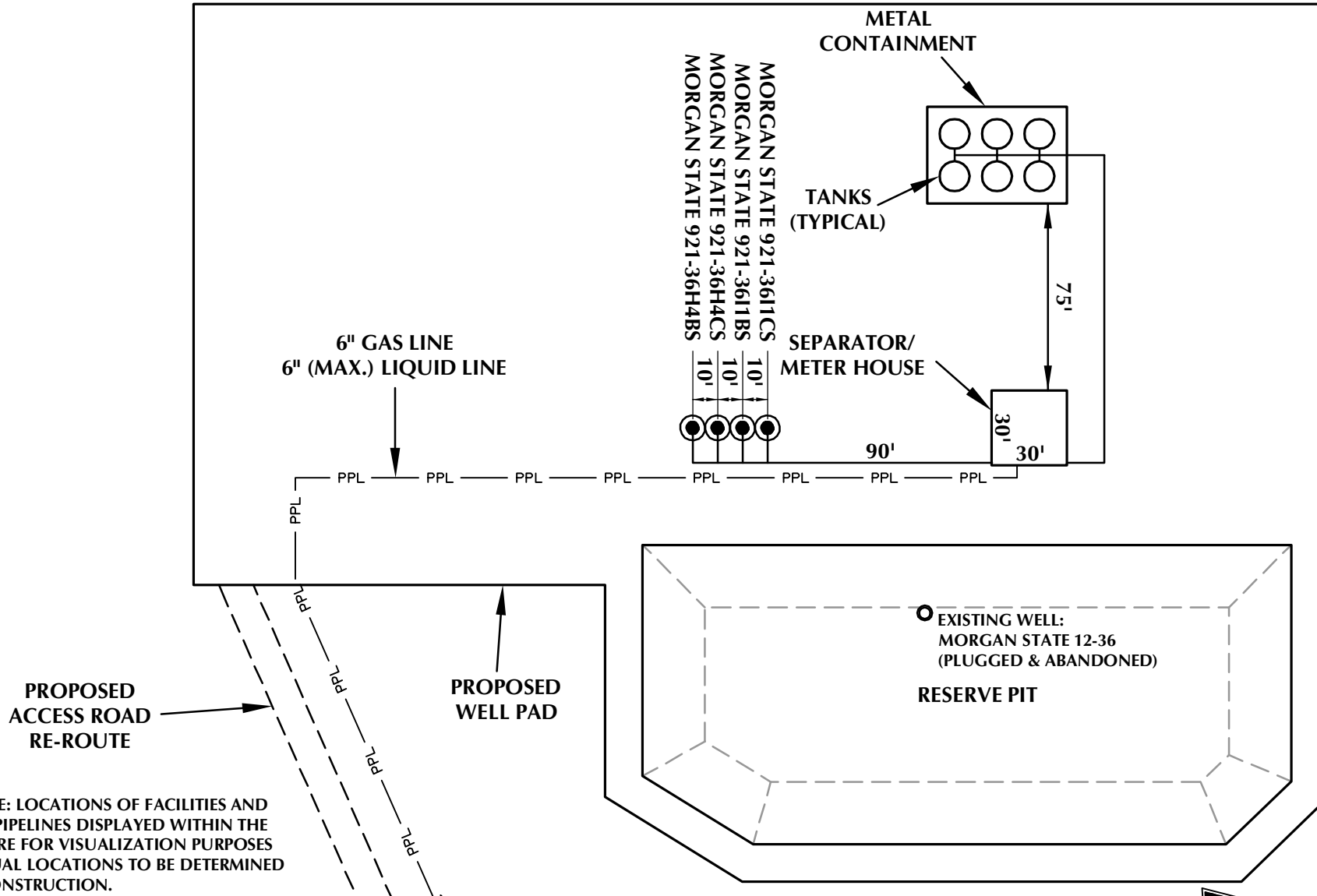
Date: 11/11/11

SHEET NO:

7

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RECEIVED: December 19, 2011



PLEASE NOTE: LOCATIONS OF FACILITIES AND PROPOSED PIPELINES DISPLAYED WITHIN THE PAD AREA ARE FOR VISUALIZATION PURPOSES ONLY. ACTUAL LOCATIONS TO BE DETERMINED DURING CONSTRUCTION.

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WELL PAD - MORGAN STATE 921-361

WELL PAD - FACILITIES DIAGRAM
MORGAN STATE 921-3611CS,
MORGAN STATE 921-3611BS,
MORGAN STATE 921-36H4CS &
MORGAN STATE 921-36H4BS
LOCATED IN SECTION 36, T9S, R21E,
S.L.B.&M., UTAH COUNTY, UTAH



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WELL PAD LEGEND

- EXISTING WELL LOCATION
- PROPOSED WELL LOCATION
- PPL — PROPOSED PIPELINE
- EPL — EXISTING PIPELINE



HORIZONTAL 0 30' 60' 1" = 60'

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Scale: 1"=60'

Date: 11/11/11

SHEET NO:

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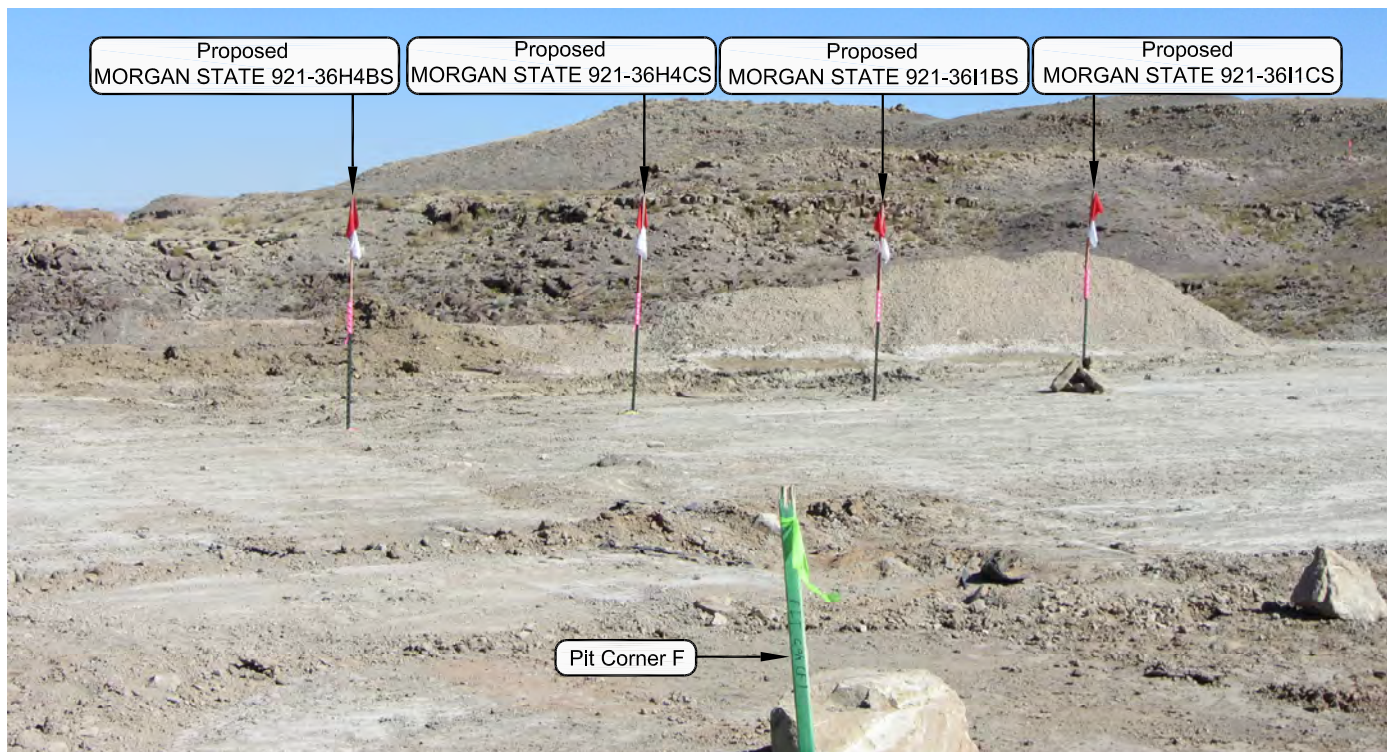


PHOTO VIEW: FROM PIT CORNER F TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO VIEW: FROM BEGINNING OF PROPOSED ROAD

CAMERA ANGLE: NORTHEASTERLY

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WELL PAD - MORGAN STATE 921-36I

LOCATION PHOTOS
MORGAN STATE 921-36I1CS,
MORGAN STATE 921-36I1BS,
MORGAN STATE 921-36H4CS &
MORGAN STATE 921-36H4BS
LOCATED IN SECTION 36, T9S, R21E,
S.L.B.&M., Uintah County, Utah.



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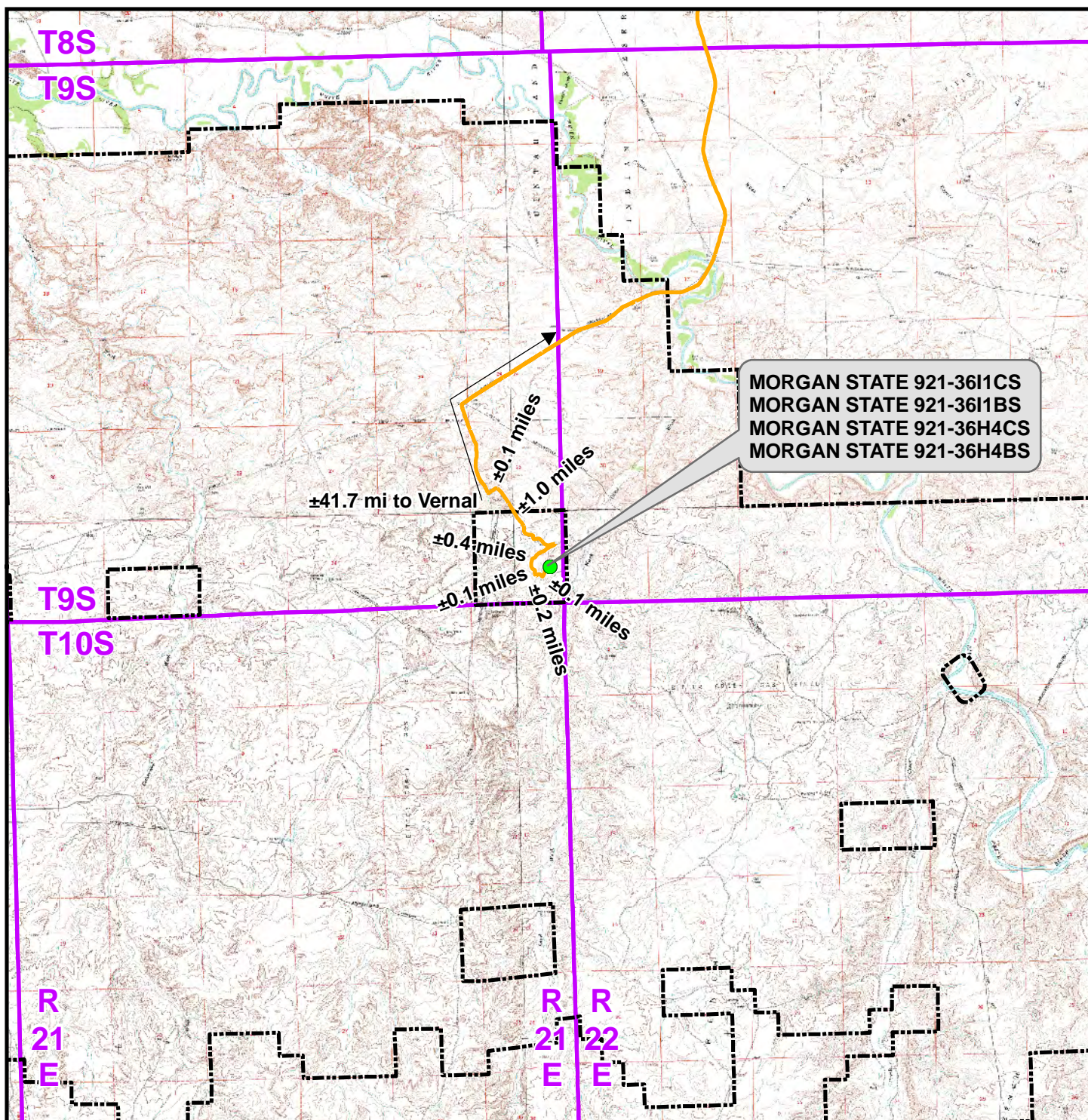
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| | | |
|-------------------------------|-----------------------|--------------------------------------|
| DATE PHOTOS TAKEN: 9-20-11 | PHOTOS TAKEN BY: J.W. | SHEET NO: 9 9 OF 16 |
| DATE DRAWN: 11-01-11 | DRAWN BY: T.J.R. | |
| Date Last Revised: | | |

RECEIVED: December 19, 2011

**Legend**Distance From Well Pad - MORGAN STATE 921-36I To Unit Boundary: $\pm 722\text{ft}$

- Proposed Well Location Natural Buttes Unit Boundary
— Access Route - Proposed

WELL PAD - MORGAN STATE 921-36I

TOPO A
 MORGAN STATE 921-36I1CS,
 MORGAN STATE 921-36I1BS,
 MORGAN STATE 921-36H4CS &
 MORGAN STATE 921-36H4BS
 LOCATED IN SECTION 36, T9S, R21E,
 S.L.B.&M., UTAH COUNTY, UTAH

**Kerr-McGee Oil &
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SCALE: 1:100,000

NAD83 USP Central

SHEET NO:

DRAWN: TL

DATE: 11 Nov 2011

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REVISED:

DATE:

10 OF 16

 Well - Proposed
  Well Pad
 Road - Proposed
 County Road
  Bureau of Land Management
  State
 Well - Existing
  Road - Existing
  Indian Reservation
  Private

TOPO B
MORGAN STATE 921-3611CS,
MORGAN STATE 921-3611BS,
MORGAN STATE 921-36H4CS &
MORGAN STATE 921-36H4BS
LOCATED IN SECTION 36, T9S, R21E,
S.L.B.&M., Uintah County, Utah

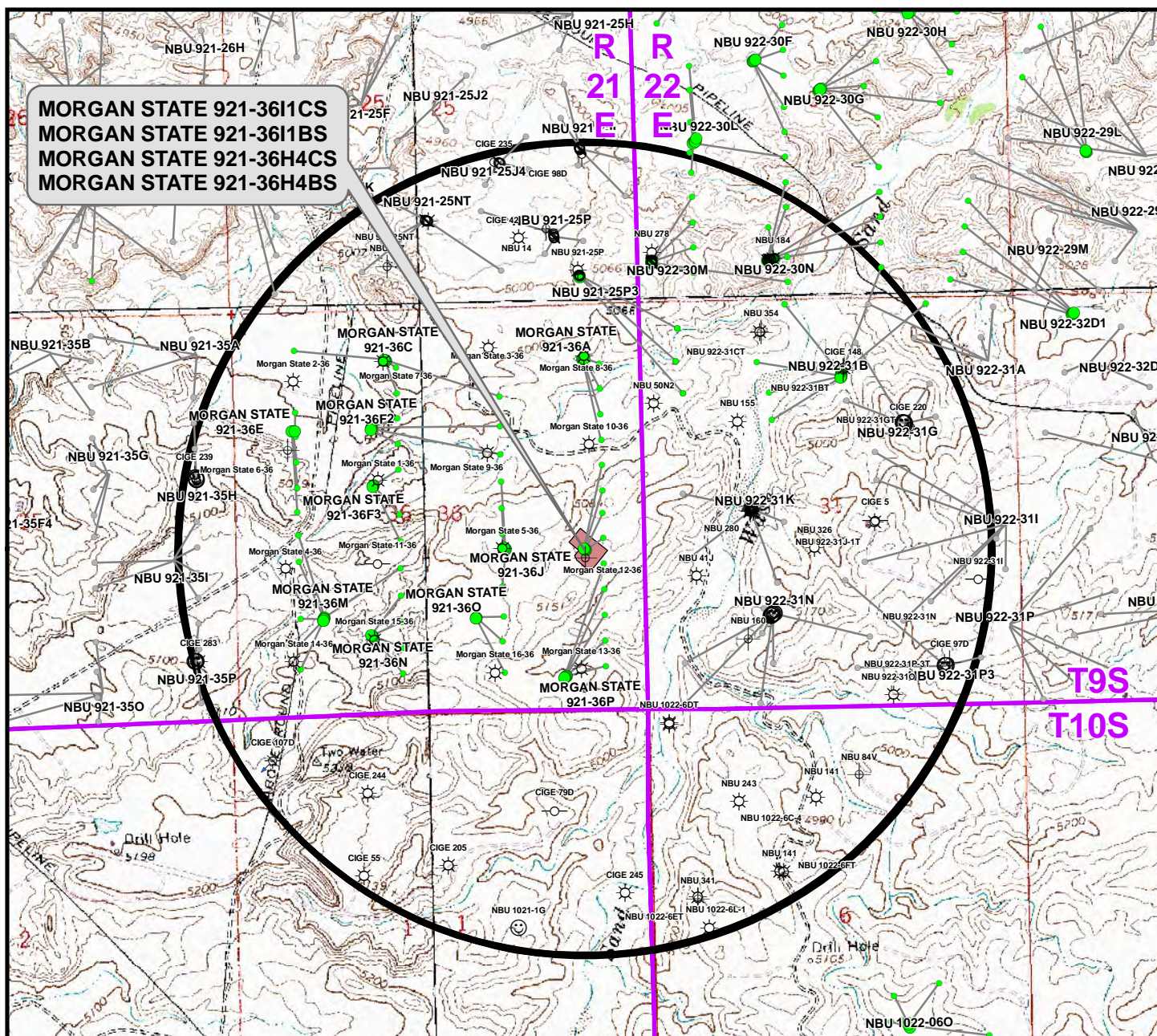
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DATE:

11 OF 16



Well locations derived from Utah Division of Oil, Gas and Mining (UDOGM) (oilgas.ogm.utah.gov). The estimated distances from proposed bore locations to the nearest existing bore locations are based on UDOGM data.

| Proposed Well | Nearest Well Bore | Footage |
|-------------------------|--------------------|---------|
| MORGAN STATE 921-36I1CS | Morgan State 12-36 | 331ft |
| MORGAN STATE 921-36I1BS | Morgan State 12-36 | 615ft |
| MORGAN STATE 921-36H4CS | Morgan State 10-36 | 628ft |
| MORGAN STATE 921-36H4BS | Morgan State 10-36 | 319ft |

Legend

- Well - Proposed
- Bottom Hole - Proposed
- Bottom Hole - Existing
- Well Path
- Well Pad
- Well - 1 Mile Radius
- ☀ Producing
- ☺ Spudded
- APD Approved
- ⊗ Preliminary Location
- ⊕ Deferred
- ✕ Cancelled
- Temporarily Abandoned
- ☀ Active Injector
- ⊕ Plugged & Abandoned
- ⊗ Location Abandoned
- Shut-In

WELL PAD - MORGAN STATE 921-36I

TOPO C
MORGAN STATE 921-36I1CS,
MORGAN STATE 921-36I1BS,
MORGAN STATE 921-36H4CS &
MORGAN STATE 921-36H4BS
LOCATED IN SECTION 36, T9S, R21E,
S.L.B.&M., Uintah County, Utah

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SCALE: 1" = 2,000ft

DRAWN: TL

REVISED:

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DATE: 11 Nov 2011

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| Proposed Gas Pipeline | Length |
|--|-----------------|
| ===== | |
| Buried 6" (Meter House to Edge of Pad) | ±355ft |
| Buried 6" (Edge of Pad to 36J Intersection) | ±1,295ft |
| TOTAL PROPOSED BURIED GAS PIPELINE = | ±1,650ft |

 Well - Proposed
  Gas Pipeline - Proposed
  Liquid Pipeline - Proposed
  Road - Proposed
  Bureau of Land Management
  State

 Well - Existing
 Gas Pipeline - To Be Upgraded
 Liquid Pipeline - Existing
 Road - Existing
 Indian Reservation
 Private

 Well Pad
 Gas Pipeline - Existing

TOPO D
MORGAN STATE 921-3611CS,
MORGAN STATE 921-3611BS,
MORGAN STATE 921-36H4CS &
MORGAN STATE 921-36H4BS
LOCATED IN SECTION 36, T9S, R21E,
S.L.B.&M., UINTAH COUNTY, UTAH

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Denver, Colorado 80202**



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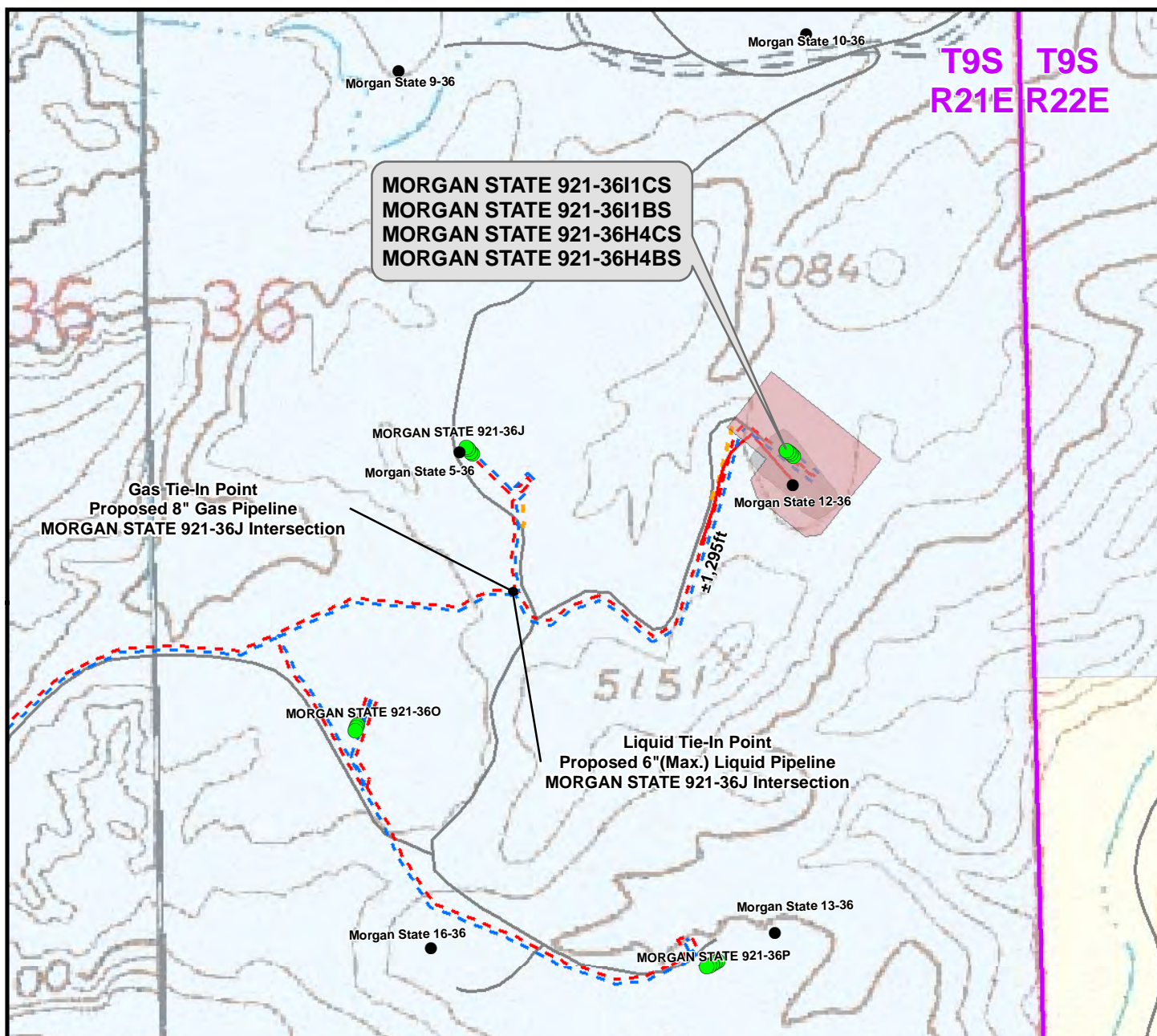
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DATE: 11 Nov 2011

DATE: _____

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| Proposed Liquid Pipeline | Length |
|---|-----------------|
| Buried 6"(Max.) (Meter House to Edge of Pad) | ±355ft |
| Buried 6"(Max.) (Edge of Pad to 36J Intersection) | ±1,295ft |
| TOTAL PROPOSED BURIED LIQUID PIPELINE = | ±1,650ft |

| Proposed Gas Pipeline | Length |
|---|-----------------|
| Buried 6" (Meter House to Edge of Pad) | ±355ft |
| Buried 6" (Edge of Pad to 36J Intersection) | ±1,295ft |
| TOTAL PROPOSED BURIED GAS PIPELINE = | ±1,650ft |

Legend

| | | | | | |
|-------------------|---------------------|-------------------------------|----------------------------|-----------------|---------------------------|
| ● Well - Proposed | Well Pad - Proposed | Gas Pipeline - Proposed | Liquid Pipeline - Proposed | Road - Existing | Bureau of Land Management |
| ● Well - Existing | Well Pad - Existing | Gas Pipeline - To Be Upgraded | Liquid Pipeline - Existing | Road - Proposed | Indian Reservation |
| | | Gas Pipeline - Existing | | | State |
| | | | | | Private |

WELL PAD - MORGAN STATE 921-361

TOPO D2 (PAD & PIPELINE DETAIL)
 MORGAN STATE 921-361CS,
 MORGAN STATE 921-361BS,
 MORGAN STATE 921-36H4CS &
 MORGAN STATE 921-36H4BS
 LOCATED IN SECTION 36, T9S, R21E,
 S.L.B.&M., UTAH COUNTY, UTAH

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 Denver, Colorado 80202

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SCALE: 1" = 500ft

NAD83 USP Central

SHEET NO:

DRAWN: TL

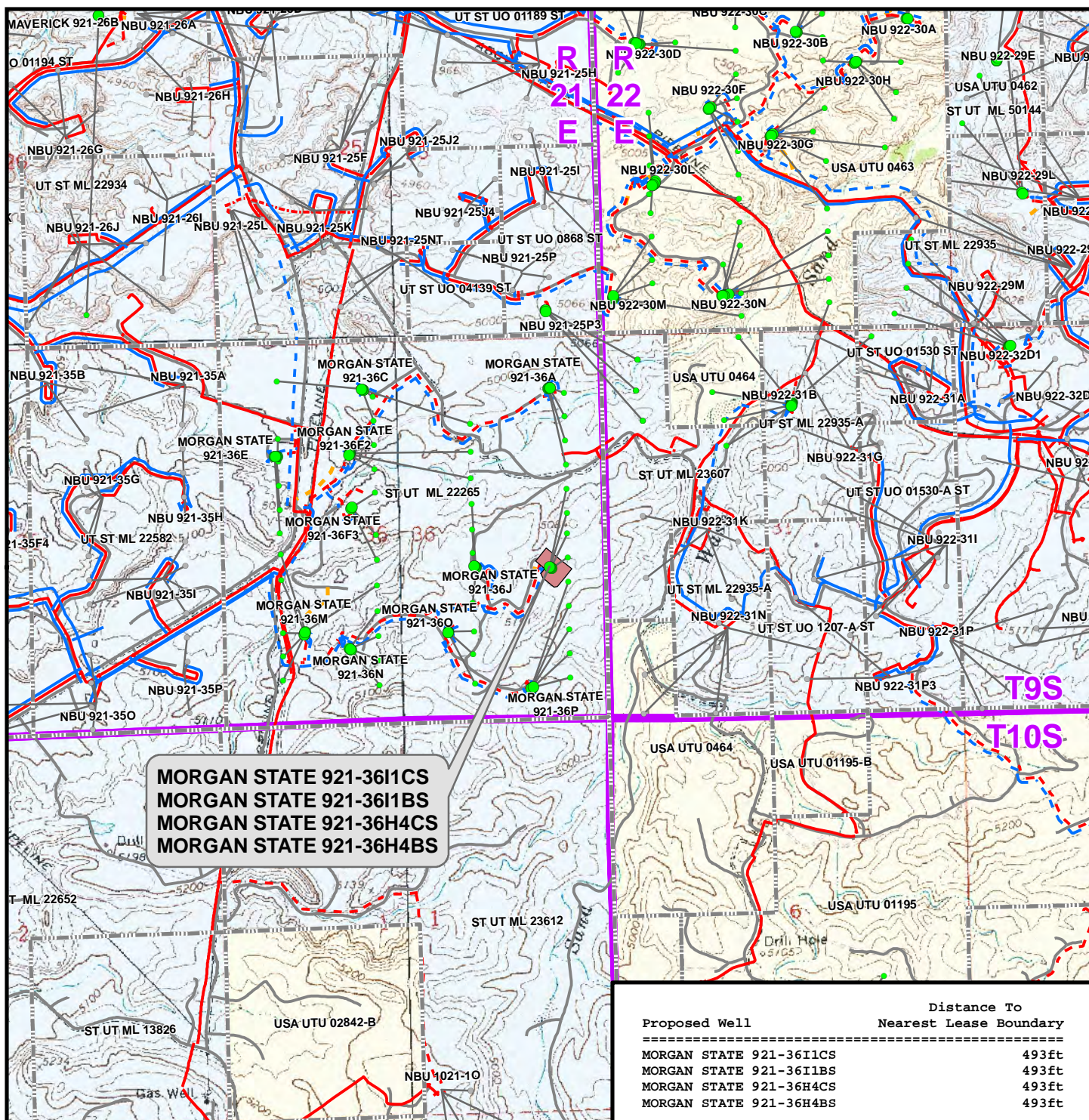
DATE: 11 Nov 2011

REVISED:

DATE:

14

14 OF 16



| Proposed Well | Distance To Nearest Lease Boundary |
|-------------------------|---------------------------------------|
| MORGAN STATE 921-36I1CS | 493ft |
| MORGAN STATE 921-36I1BS | 493ft |
| MORGAN STATE 921-36H4CS | 493ft |
| MORGAN STATE 921-36H4BS | 493ft |

Legend

| | | | | | |
|------------------------|----------------|-------------------------------|----------------------------|-----------------|---------------------------|
| Well - Proposed | Well Pad | Gas Pipeline - Proposed | Liquid Pipeline - Proposed | Road - Proposed | Bureau of Land Management |
| Bottom Hole - Proposed | Lease Boundary | Gas Pipeline - To Be Upgraded | Liquid Pipeline - Existing | Road - Existing | Indian Reservation |
| Bottom Hole - Existing | | Gas Pipeline - Existing | | | State |
| Well Path | | | | | Private |

WELL PAD - MORGAN STATE 921-36I

TOPO E
MORGAN STATE 921-36I1CS,
MORGAN STATE 921-36I1BS,
MORGAN STATE 921-36H4CS &
MORGAN STATE 921-36H4BS
LOCATED IN SECTION 36, T9S, R21E,
S.L.B.&M., Uintah County, Utah

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Fax 307-674-0182

SCALE: 1" = 2,000ft

DRAWN: TL

REVISED:

NAD83 USP Central

DATE: 11 Nov 2011

DATE:

SHEET NO:

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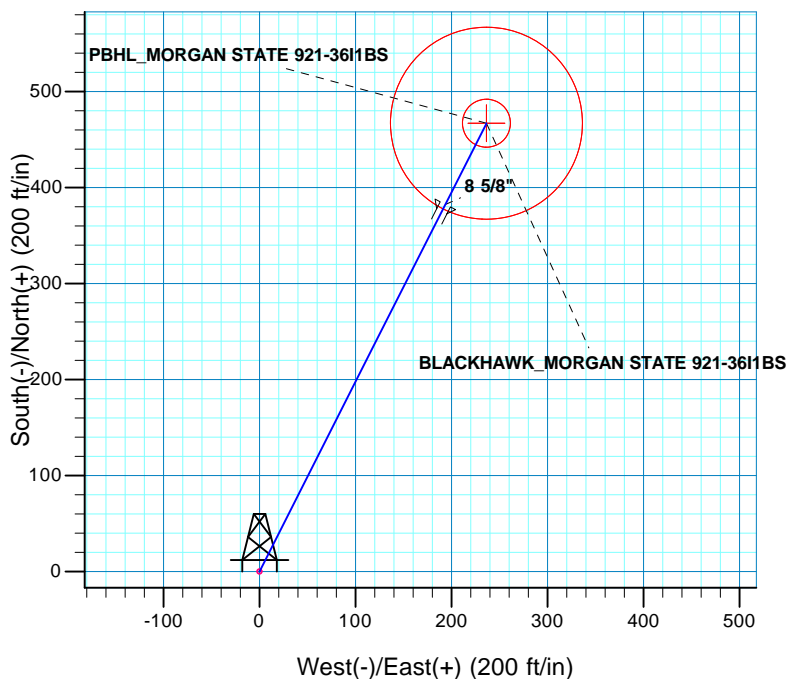
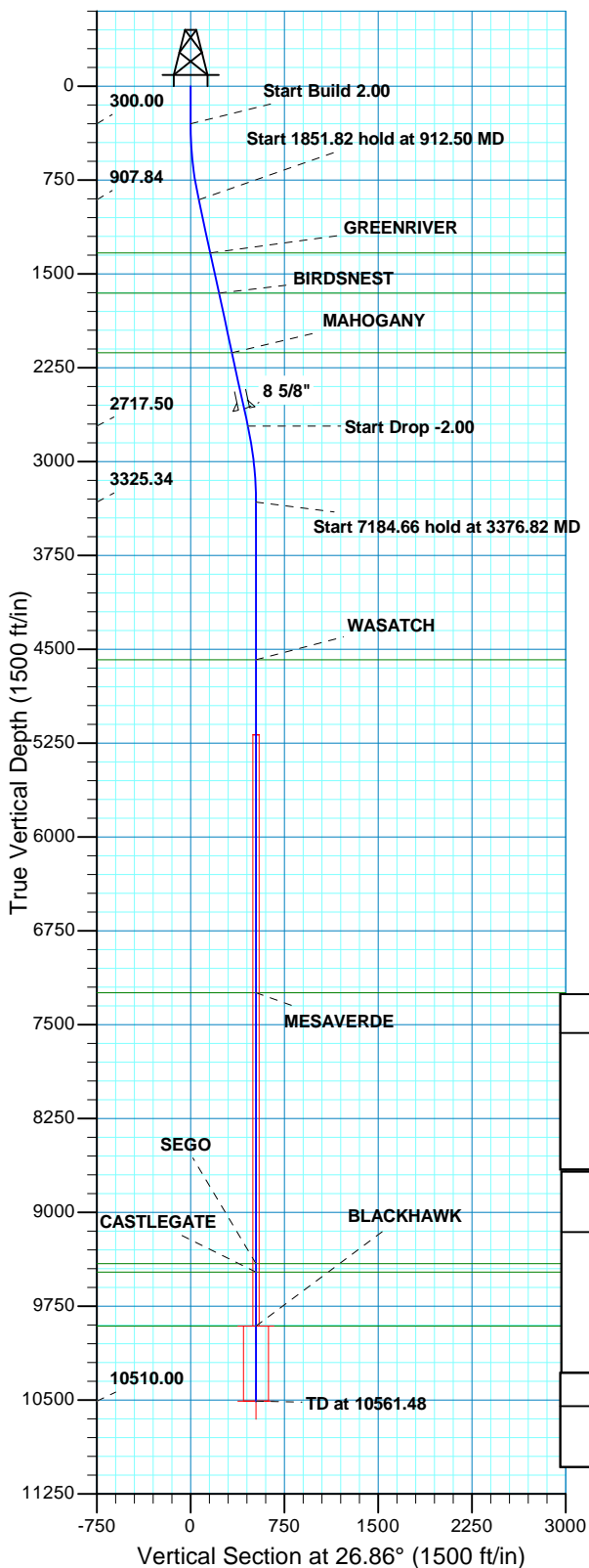
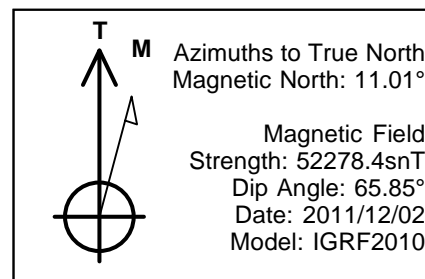
15 OF 16

Kerr-McGee Oil & Gas Onshore, LP
WELL PAD – MORGAN STATE 921-36I
WELLS – MORGAN STATE 921-36I1CS, MORGAN STATE 921-36I1BS,
MORGAN STATE 921-36H4CS & MORGAN STATE 921-36H4BS
Section 36, T9S, R21E, S.L.B.&M.

From the intersection of U.S. Highway 40 and 500 East Street in Vernal, Utah, proceed in an easterly, then southerly direction along U.S. Highway 40 approximately 3.3 miles to the junction of State Highway 45. Exit right and proceed in a southerly direction along State Highway 45 approximately 20.2 miles to the junction of the Glen Bench Road (County B Road 3260). Exit right and proceed in a southwesterly direction along the Glen Bench Road approximately 18.2 miles to a Class D County Road to the northeast. Exit left and proceed in a northeasterly direction along the Class D County Road approximately 0.1 miles to a second Class D County Road to the southeast. Exit right and proceed in a southeasterly direction along the second Class D County Road approximately 1.0 miles to a service road to the southwest. Exit right and proceed in a southwesterly direction approximately 0.4 miles to the proposed MORGAN STATE 921-36J well pad. Proceed in a southeasterly direction approximately 470 feet through the proposed MORGAN STATE 921-36J well pad to a second service road to the south. Proceed in a southerly direction along the second service road approximately 0.1 miles to a third service road to the northeast. Exit left and proceed in a northeasterly direction along the third service road approximately 0.2 miles to the proposed access road to the northeast. Follow road flags in a northeasterly direction approximately 215 feet to the proposed well location.

Total distance from Vernal, Utah to the proposed well location is approximately 43.6 miles in a southerly direction.

| WELL DETAILS: MORGAN STATE 921-36I1BS | | | | | | |
|---------------------------------------|----------|-------------|------------|------------------|-------------------|-------------------------|
| GL 5035 & KB 4 @ 5039.00ft (ASSUMED) | | | | | | |
| +N/-S | +E/-W | Northing | Easting | Latitude | Longitude | |
| 0.00 | 0.00 | 14526377.63 | 2062646.31 | 39° 59' 28.000 N | 109° 29' 33.277 W | |
| DESIGN TARGET DETAILS | | | | | | |
| Name | TVD | +N/-S | +E/-W | Northing | Easting | Latitude |
| BLACKHAWK | 9910.00 | 466.92 | 236.44 | 14526848.48 | 2062874.83 | 39° 59' 32.615 N |
| - plan hits target center | | | | | | |
| PBHL | 10510.00 | 466.92 | 236.44 | 14526848.48 | 2062874.83 | 39° 59' 32.615 N |
| - plan hits target center | | | | | | |
| | | | | | | 109° 29' 30.239 W |
| | | | | | | Circle (Radius: 25.00) |
| | | | | | | Circle (Radius: 100.00) |



| SECTION DETAILS | | | | | | | | | | |
|---|---------|--------|----------|--------|--------|-----------------------|---------|------------|------------------------------|--|
| MD | Inc | Azi | TVD | +N/-S | +E/-W | Dleg | TFace | VSect | Target | |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | |
| 300.00 | 0.00 | 0.00 | 300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | |
| 912.50 | 12.25 | 26.86 | 907.84 | 58.19 | 29.47 | 2.00 | 26.86 | 65.23 | | |
| 2764.32 | 12.25 | 26.86 | 2717.50 | 408.72 | 206.98 | 0.00 | 0.00 | 458.14 | | |
| 3376.82 | 0.00 | 0.00 | 3325.34 | 466.92 | 236.44 | 2.00 | 180.00 | 523.37 | | |
| 10561.48 | 0.00 | 0.00 | 10510.00 | 466.92 | 236.44 | 0.00 | 0.00 | 523.37 | PBHL_MORGAN STATE 921-36I1BS | |
| PROJECT DETAILS: UTAH - UTM (feet), NAD27, Zone 12N | | | | | | FORMATION TOP DETAILS | | | | |
| Geodetic System: Universal Transverse Mercator (US Survey Feet) | | | | | | TVDPath | MDPath | Formation | | |
| Datum: NAD 1927 (NADCON CONUS) | | | | | | 1333.00 | 1347.56 | GREENRIVER | | |
| Ellipsoid: Clarke 1866 | | | | | | 1654.00 | 1676.04 | BIRDSNEST | | |
| Zone: Zone 12N (114 W to 108 W) | | | | | | 2131.00 | 2164.15 | MAHOGANY | | |
| Location: SECTION 36 T9S R21E | | | | | | 4585.00 | 4636.48 | WASATCH | | |
| System Datum: Mean Sea Level | | | | | | 7245.00 | 7296.48 | MESAVERDE | | |
| | | | | | | 9410.00 | 9461.48 | SEGO | | |
| | | | | | | 9477.00 | 9528.48 | CASTLEGATE | | |
| | | | | | | 9910.00 | 9961.48 | BLACKHAWK | | |
| CASING DETAILS | | | | | | | | | | |
| TVD | MD | Name | Size | | | | | | | |
| 2581.00 | 2624.64 | 8 5/8" | 8.625 | | | | | | | |

RECEIVED:

Plan: PLAN #1 PRELIMINARY (MORGAN STATE 921-36I1BS/OH)

Created By: RobertScott Date: 9:58, December 02 2011



US ROCKIES REGION PLANNING

UTAH - UTM (feet), NAD27, Zone 12N

MORGAN STATE 921-36I

MORGAN STATE 921-36I1BS

OH

Plan: PLAN #1 PRELIMINARY

Standard Planning Report

02 December, 2011





SDI Planning Report



| | | | |
|------------------|------------------------------------|-------------------------------------|--------------------------------------|
| Database: | EDM5000-RobertS-Local | Local Co-ordinate Reference: | Well MORGAN STATE 921-361BS |
| Company: | US ROCKIES REGION PLANNING | TVD Reference: | GL 5035 & KB 4 @ 5039.00ft (ASSUMED) |
| Project: | UTAH - UTM (feet), NAD27, Zone 12N | MD Reference: | GL 5035 & KB 4 @ 5039.00ft (ASSUMED) |
| Site: | MORGAN STATE 921-361 | North Reference: | True |
| Well: | MORGAN STATE 921-361BS | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | OH | | |
| Design: | PLAN #1 PRELIMINARY | | |

| | | | |
|--------------------|--|----------------------|----------------|
| Project | UTAH - UTM (feet), NAD27, Zone 12N | | |
| Map System: | Universal Transverse Mercator (US Survey Feet) | System Datum: | Mean Sea Level |
| Geo Datum: | NAD 1927 (NADCON CONUS) | | |
| Map Zone: | Zone 12N (114 W to 108 W) | | |

| | | | |
|------------------------------|---|--------------------------|--------------------|
| Site | MORGAN STATE 921-361, SECTION 36 T9S R21E | | |
| Site Position: | | Northing: | 14,526,390.12 usft |
| From: | Lat/Long | Easting: | 2,062,630.69 usft |
| Position Uncertainty: | 0.00 ft | Slot Radius: | 13.200 in |
| | | Latitude: | 39° 59' 28.126 N |
| | | Longitude: | 109° 29' 33.475 W |
| | | Grid Convergence: | 0.97 ° |

| | | | |
|-----------------------------|--|----------------------------|-------------------|
| Well | MORGAN STATE 921-361BS, 2096 FSL 729 FEL | | |
| Well Position | +N/-S | -12.75 ft | Northing: |
| | +E/-W | 15.41 ft | Easting: |
| Position Uncertainty | 0.00 ft | Wellhead Elevation: | |
| | | Latitude: | 39° 59' 28.000 N |
| | | Longitude: | 109° 29' 33.277 W |
| | | Ground Level: | 5,035.00 ft |

| | | | | | |
|------------------|-------------------|--------------------|------------------------|----------------------|----------------------------|
| Wellbore | OH | | | | |
| Magnetics | Model Name | Sample Date | Declination (°) | Dip Angle (°) | Field Strength (nT) |
| | IGRF2010 | 2011/12/02 | 11.01 | 65.85 | 52,278 |

| | | | | |
|--------------------------|------------------------------|-------------------|----------------------|----------------------|
| Design | PLAN #1 PRELIMINARY | | | |
| Audit Notes: | | | | |
| Version: | Phase: | PLAN | Tie On Depth: | 0.00 |
| Vertical Section: | Depth From (TVD) (ft) | +N/-S (ft) | +E/-W (ft) | Direction (°) |
| | 0.00 | 0.00 | 0.00 | 26.86 |

| Plan Sections | | | | | | | | | | |
|----------------------|-----------------|-------------|---------------------|------------|------------|-----------------------|----------------------|---------------------|---------|-----------------|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) | TFO (°) | Target |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 300.00 | 0.00 | 0.00 | 300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 912.50 | 12.25 | 26.86 | 907.84 | 58.19 | 29.47 | 2.00 | 2.00 | 0.00 | 26.86 | |
| 2,764.32 | 12.25 | 26.86 | 2,717.50 | 408.72 | 206.98 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 3,376.82 | 0.00 | 0.00 | 3,325.34 | 466.92 | 236.44 | 2.00 | -2.00 | 0.00 | 180.00 | |
| 10,561.48 | 0.00 | 0.00 | 10,510.00 | 466.92 | 236.44 | 0.00 | 0.00 | 0.00 | 0.00 | PBHL_MORGAN ST/ |



SDI Planning Report



| | | | |
|------------------|------------------------------------|-------------------------------------|--------------------------------------|
| Database: | EDM5000-RobertS-Local | Local Co-ordinate Reference: | Well MORGAN STATE 921-361BS |
| Company: | US ROCKIES REGION PLANNING | TVD Reference: | GL 5035 & KB 4 @ 5039.00ft (ASSUMED) |
| Project: | UTAH - UTM (feet), NAD27, Zone 12N | MD Reference: | GL 5035 & KB 4 @ 5039.00ft (ASSUMED) |
| Site: | MORGAN STATE 921-361 | North Reference: | True |
| Well: | MORGAN STATE 921-361BS | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | OH | | |
| Design: | PLAN #1 PRELIMINARY | | |

| Planned Survey | | | | | | | | | |
|---|-----------------|-------------|---------------------|------------|------------|-----------------------|-----------------------|----------------------|---------------------|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 100.00 | 0.00 | 0.00 | 100.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 200.00 | 0.00 | 0.00 | 200.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 300.00 | 0.00 | 0.00 | 300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Start Build 2.00 | | | | | | | | | |
| 400.00 | 2.00 | 26.86 | 399.98 | 1.56 | 0.79 | 1.75 | 2.00 | 2.00 | 0.00 |
| 500.00 | 4.00 | 26.86 | 499.84 | 6.23 | 3.15 | 6.98 | 2.00 | 2.00 | 0.00 |
| 600.00 | 6.00 | 26.86 | 599.45 | 14.00 | 7.09 | 15.69 | 2.00 | 2.00 | 0.00 |
| 700.00 | 8.00 | 26.86 | 698.70 | 24.87 | 12.60 | 27.88 | 2.00 | 2.00 | 0.00 |
| 800.00 | 10.00 | 26.86 | 797.47 | 38.83 | 19.66 | 43.52 | 2.00 | 2.00 | 0.00 |
| 900.00 | 12.00 | 26.86 | 895.62 | 55.85 | 28.28 | 62.60 | 2.00 | 2.00 | 0.00 |
| 912.50 | 12.25 | 26.86 | 907.84 | 58.19 | 29.47 | 65.23 | 2.00 | 2.00 | 0.00 |
| Start 1851.82 hold at 912.50 MD | | | | | | | | | |
| 1,000.00 | 12.25 | 26.86 | 993.35 | 74.76 | 37.86 | 83.79 | 0.00 | 0.00 | 0.00 |
| 1,100.00 | 12.25 | 26.86 | 1,091.08 | 93.68 | 47.44 | 105.01 | 0.00 | 0.00 | 0.00 |
| 1,200.00 | 12.25 | 26.86 | 1,188.80 | 112.61 | 57.03 | 126.23 | 0.00 | 0.00 | 0.00 |
| 1,300.00 | 12.25 | 26.86 | 1,286.52 | 131.54 | 66.61 | 147.45 | 0.00 | 0.00 | 0.00 |
| 1,347.56 | 12.25 | 26.86 | 1,333.00 | 140.55 | 71.17 | 157.54 | 0.00 | 0.00 | 0.00 |
| GREENRIVER | | | | | | | | | |
| 1,400.00 | 12.25 | 26.86 | 1,384.24 | 150.47 | 76.20 | 168.66 | 0.00 | 0.00 | 0.00 |
| 1,500.00 | 12.25 | 26.86 | 1,481.97 | 169.40 | 85.78 | 189.88 | 0.00 | 0.00 | 0.00 |
| 1,600.00 | 12.25 | 26.86 | 1,579.69 | 188.33 | 95.37 | 211.10 | 0.00 | 0.00 | 0.00 |
| 1,676.04 | 12.25 | 26.86 | 1,654.00 | 202.72 | 102.66 | 227.23 | 0.00 | 0.00 | 0.00 |
| BIRDSNEST | | | | | | | | | |
| 1,700.00 | 12.25 | 26.86 | 1,677.41 | 207.26 | 104.95 | 232.32 | 0.00 | 0.00 | 0.00 |
| 1,800.00 | 12.25 | 26.86 | 1,775.14 | 226.19 | 114.54 | 253.54 | 0.00 | 0.00 | 0.00 |
| 1,900.00 | 12.25 | 26.86 | 1,872.86 | 245.12 | 124.13 | 274.75 | 0.00 | 0.00 | 0.00 |
| 2,000.00 | 12.25 | 26.86 | 1,970.58 | 264.05 | 133.71 | 295.97 | 0.00 | 0.00 | 0.00 |
| 2,100.00 | 12.25 | 26.86 | 2,068.31 | 282.97 | 143.30 | 317.19 | 0.00 | 0.00 | 0.00 |
| 2,164.15 | 12.25 | 26.86 | 2,131.00 | 295.12 | 149.45 | 330.80 | 0.00 | 0.00 | 0.00 |
| MAHOGANY | | | | | | | | | |
| 2,200.00 | 12.25 | 26.86 | 2,166.03 | 301.90 | 152.88 | 338.41 | 0.00 | 0.00 | 0.00 |
| 2,300.00 | 12.25 | 26.86 | 2,263.75 | 320.83 | 162.47 | 359.62 | 0.00 | 0.00 | 0.00 |
| 2,400.00 | 12.25 | 26.86 | 2,361.48 | 339.76 | 172.05 | 380.84 | 0.00 | 0.00 | 0.00 |
| 2,500.00 | 12.25 | 26.86 | 2,459.20 | 358.69 | 181.64 | 402.06 | 0.00 | 0.00 | 0.00 |
| 2,600.00 | 12.25 | 26.86 | 2,556.92 | 377.62 | 191.23 | 423.28 | 0.00 | 0.00 | 0.00 |
| 2,624.64 | 12.25 | 26.86 | 2,581.00 | 382.28 | 193.59 | 428.51 | 0.00 | 0.00 | 0.00 |
| 8 5/8" | | | | | | | | | |
| 2,700.00 | 12.25 | 26.86 | 2,654.64 | 396.55 | 200.81 | 444.50 | 0.00 | 0.00 | 0.00 |
| 2,764.32 | 12.25 | 26.86 | 2,717.50 | 408.72 | 206.98 | 458.14 | 0.00 | 0.00 | 0.00 |
| Start Drop -2.00 | | | | | | | | | |
| 2,800.00 | 11.54 | 26.86 | 2,752.41 | 415.28 | 210.30 | 465.50 | 2.00 | -2.00 | 0.00 |
| 2,900.00 | 9.54 | 26.86 | 2,850.72 | 431.60 | 218.56 | 483.78 | 2.00 | -2.00 | 0.00 |
| 3,000.00 | 7.54 | 26.86 | 2,949.61 | 444.84 | 225.26 | 498.62 | 2.00 | -2.00 | 0.00 |
| 3,100.00 | 5.54 | 26.86 | 3,048.96 | 454.99 | 230.41 | 510.01 | 2.00 | -2.00 | 0.00 |
| 3,200.00 | 3.54 | 26.86 | 3,148.64 | 462.05 | 233.98 | 517.92 | 2.00 | -2.00 | 0.00 |
| 3,300.00 | 1.54 | 26.86 | 3,248.53 | 466.00 | 235.98 | 522.34 | 2.00 | -2.00 | 0.00 |
| 3,376.82 | 0.00 | 0.00 | 3,325.34 | 466.92 | 236.44 | 523.37 | 2.00 | -2.00 | 0.00 |
| Start 7184.66 hold at 3376.82 MD | | | | | | | | | |
| 3,400.00 | 0.00 | 0.00 | 3,348.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 3,500.00 | 0.00 | 0.00 | 3,448.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 3,600.00 | 0.00 | 0.00 | 3,548.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 3,700.00 | 0.00 | 0.00 | 3,648.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |



SDI
Planning Report



| | | | |
|------------------|------------------------------------|-------------------------------------|--------------------------------------|
| Database: | EDM5000-RobertS-Local | Local Co-ordinate Reference: | Well MORGAN STATE 921-361BS |
| Company: | US ROCKIES REGION PLANNING | TVD Reference: | GL 5035 & KB 4 @ 5039.00ft (ASSUMED) |
| Project: | UTAH - UTM (feet), NAD27, Zone 12N | MD Reference: | GL 5035 & KB 4 @ 5039.00ft (ASSUMED) |
| Site: | MORGAN STATE 921-361 | North Reference: | True |
| Well: | MORGAN STATE 921-361BS | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | OH | | |
| Design: | PLAN #1 PRELIMINARY | | |

| Planned Survey | | | | | | | | | |
|---------------------|-----------------|-------------|---------------------|------------|------------|-----------------------|-----------------------|----------------------|---------------------|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
| 3,800.00 | 0.00 | 0.00 | 3,748.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 3,900.00 | 0.00 | 0.00 | 3,848.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 4,000.00 | 0.00 | 0.00 | 3,948.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 4,100.00 | 0.00 | 0.00 | 4,048.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 4,200.00 | 0.00 | 0.00 | 4,148.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 4,300.00 | 0.00 | 0.00 | 4,248.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 4,400.00 | 0.00 | 0.00 | 4,348.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 4,500.00 | 0.00 | 0.00 | 4,448.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 4,600.00 | 0.00 | 0.00 | 4,548.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 4,636.48 | 0.00 | 0.00 | 4,585.00 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| WASATCH | | | | | | | | | |
| 4,700.00 | 0.00 | 0.00 | 4,648.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 4,800.00 | 0.00 | 0.00 | 4,748.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 4,900.00 | 0.00 | 0.00 | 4,848.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 5,000.00 | 0.00 | 0.00 | 4,948.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 5,100.00 | 0.00 | 0.00 | 5,048.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 5,200.00 | 0.00 | 0.00 | 5,148.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 5,300.00 | 0.00 | 0.00 | 5,248.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 5,400.00 | 0.00 | 0.00 | 5,348.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 5,500.00 | 0.00 | 0.00 | 5,448.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 5,600.00 | 0.00 | 0.00 | 5,548.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 5,700.00 | 0.00 | 0.00 | 5,648.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 5,800.00 | 0.00 | 0.00 | 5,748.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 5,900.00 | 0.00 | 0.00 | 5,848.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 6,000.00 | 0.00 | 0.00 | 5,948.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 6,100.00 | 0.00 | 0.00 | 6,048.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 6,200.00 | 0.00 | 0.00 | 6,148.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 6,300.00 | 0.00 | 0.00 | 6,248.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 6,400.00 | 0.00 | 0.00 | 6,348.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 6,500.00 | 0.00 | 0.00 | 6,448.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 6,600.00 | 0.00 | 0.00 | 6,548.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 6,700.00 | 0.00 | 0.00 | 6,648.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 6,800.00 | 0.00 | 0.00 | 6,748.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 6,900.00 | 0.00 | 0.00 | 6,848.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 7,000.00 | 0.00 | 0.00 | 6,948.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 7,100.00 | 0.00 | 0.00 | 7,048.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 7,200.00 | 0.00 | 0.00 | 7,148.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 7,296.48 | 0.00 | 0.00 | 7,245.00 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| MESAVERDE | | | | | | | | | |
| 7,300.00 | 0.00 | 0.00 | 7,248.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 7,400.00 | 0.00 | 0.00 | 7,348.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 7,500.00 | 0.00 | 0.00 | 7,448.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 7,600.00 | 0.00 | 0.00 | 7,548.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 7,700.00 | 0.00 | 0.00 | 7,648.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 7,800.00 | 0.00 | 0.00 | 7,748.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 7,900.00 | 0.00 | 0.00 | 7,848.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 8,000.00 | 0.00 | 0.00 | 7,948.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 8,100.00 | 0.00 | 0.00 | 8,048.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 8,200.00 | 0.00 | 0.00 | 8,148.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 8,300.00 | 0.00 | 0.00 | 8,248.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 8,400.00 | 0.00 | 0.00 | 8,348.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 8,500.00 | 0.00 | 0.00 | 8,448.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 8,600.00 | 0.00 | 0.00 | 8,548.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 8,700.00 | 0.00 | 0.00 | 8,648.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |



SDI Planning Report



| | | | |
|------------------|------------------------------------|-------------------------------------|--------------------------------------|
| Database: | EDM5000-RobertS-Local | Local Co-ordinate Reference: | Well MORGAN STATE 921-361BS |
| Company: | US ROCKIES REGION PLANNING | TVD Reference: | GL 5035 & KB 4 @ 5039.00ft (ASSUMED) |
| Project: | UTAH - UTM (feet), NAD27, Zone 12N | MD Reference: | GL 5035 & KB 4 @ 5039.00ft (ASSUMED) |
| Site: | MORGAN STATE 921-361 | North Reference: | True |
| Well: | MORGAN STATE 921-361BS | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | OH | | |
| Design: | PLAN #1 PRELIMINARY | | |

| Planned Survey | | | | | | | | | |
|--|-----------------|-------------|---------------------|------------|------------|-----------------------|-----------------------|----------------------|---------------------|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
| 8,800.00 | 0.00 | 0.00 | 8,748.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 8,900.00 | 0.00 | 0.00 | 8,848.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 9,000.00 | 0.00 | 0.00 | 8,948.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 9,100.00 | 0.00 | 0.00 | 9,048.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 9,200.00 | 0.00 | 0.00 | 9,148.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 9,300.00 | 0.00 | 0.00 | 9,248.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 9,400.00 | 0.00 | 0.00 | 9,348.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 9,461.48 | 0.00 | 0.00 | 9,410.00 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| SEGO | | | | | | | | | |
| 9,500.00 | 0.00 | 0.00 | 9,448.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 9,528.48 | 0.00 | 0.00 | 9,477.00 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| CASTLEGATE | | | | | | | | | |
| 9,600.00 | 0.00 | 0.00 | 9,548.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 9,700.00 | 0.00 | 0.00 | 9,648.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 9,800.00 | 0.00 | 0.00 | 9,748.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 9,900.00 | 0.00 | 0.00 | 9,848.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 9,961.48 | 0.00 | 0.00 | 9,910.00 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| BLACKHAWK - BLACKHAWK_MORGAN STATE 921-361BS | | | | | | | | | |
| 10,000.00 | 0.00 | 0.00 | 9,948.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 10,100.00 | 0.00 | 0.00 | 10,048.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 10,200.00 | 0.00 | 0.00 | 10,148.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 10,300.00 | 0.00 | 0.00 | 10,248.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 10,400.00 | 0.00 | 0.00 | 10,348.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 10,500.00 | 0.00 | 0.00 | 10,448.52 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| 10,561.48 | 0.00 | 0.00 | 10,510.00 | 466.92 | 236.44 | 523.37 | 0.00 | 0.00 | 0.00 |
| PBHL_MORGAN STATE 921-361BS | | | | | | | | | |

| Design Targets | | | | | | | | | |
|--|---------------|--------------|-----------|------------|------------|-----------------|----------------|------------------|-------------------|
| Target Name - hit/miss target - Shape | Dip Angle (°) | Dip Dir. (°) | TVD (ft) | +N/-S (ft) | +E/-W (ft) | Northing (usft) | Easting (usft) | Latitude | Longitude |
| BLACKHAWK_MORGAI - plan hits target center - Circle (radius 25.00) | 0.00 | 0.00 | 9,910.00 | 466.92 | 236.44 | 14,526,848.48 | 2,062,874.82 | 39° 59' 32.615 N | 109° 29' 30.239 W |
| PBHL_MORGAN STATE - plan hits target center - Circle (radius 100.00) | 0.00 | 0.00 | 10,510.00 | 466.92 | 236.44 | 14,526,848.48 | 2,062,874.82 | 39° 59' 32.615 N | 109° 29' 30.239 W |

| Casing Points | | | | | |
|---------------------|---------------------|--------|----------------------|--------------------|--|
| Measured Depth (ft) | Vertical Depth (ft) | Name | Casing Diameter (in) | Hole Diameter (in) | |
| 2,624.64 | 2,581.00 | 8 5/8" | 8.625 | 11.000 | |



SDI Planning Report



| | | | |
|------------------|------------------------------------|-------------------------------------|--------------------------------------|
| Database: | EDM5000-RobertS-Local | Local Co-ordinate Reference: | Well MORGAN STATE 921-361BS |
| Company: | US ROCKIES REGION PLANNING | TVD Reference: | GL 5035 & KB 4 @ 5039.00ft (ASSUMED) |
| Project: | UTAH - UTM (feet), NAD27, Zone 12N | MD Reference: | GL 5035 & KB 4 @ 5039.00ft (ASSUMED) |
| Site: | MORGAN STATE 921-36I | North Reference: | True |
| Well: | MORGAN STATE 921-361BS | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | OH | | |
| Design: | PLAN #1 PRELIMINARY | | |

| Formations | | | | | |
|---------------------|---------------------|------------|-----------|---------|-------------------|
| Measured Depth (ft) | Vertical Depth (ft) | Name | Lithology | Dip (°) | Dip Direction (°) |
| 1,347.56 | 1,333.00 | GREENRIVER | | | |
| 1,676.04 | 1,654.00 | BIRDSNEST | | | |
| 2,164.15 | 2,131.00 | MAHOGANY | | | |
| 4,636.48 | 4,585.00 | WASATCH | | | |
| 7,296.48 | 7,245.00 | MESAVERDE | | | |
| 9,461.48 | 9,410.00 | SEGO | | | |
| 9,528.48 | 9,477.00 | CASTLEGATE | | | |
| 9,961.48 | 9,910.00 | BLACKHAWK | | | |

| Plan Annotations | | | | |
|---------------------|---------------------|-------------------|------------|----------------------------------|
| Measured Depth (ft) | Vertical Depth (ft) | Local Coordinates | | Comment |
| | | +N/-S (ft) | +E/-W (ft) | |
| 300.00 | 300.00 | 0.00 | 0.00 | Start Build 2.00 |
| 912.50 | 907.84 | 58.19 | 29.47 | Start 1851.82 hold at 912.50 MD |
| 2,764.32 | 2,717.50 | 408.72 | 206.98 | Start Drop -2.00 |
| 3,376.82 | 3,325.34 | 466.92 | 236.44 | Start 7184.66 hold at 3376.82 MD |
| 10,561.48 | 10,510.00 | 466.92 | 236.44 | TD at 10561.48 |

MORGAN STATE 921-36H4BS

| | | | |
|----------|--------------------|------|-----|
| Surface: | 2108 FSL / 745 FEL | NESE | Lot |
| BHL: | 2071 FNL / 493 FEL | SENE | Lot |

MORGAN STATE 921-36H4CS

| | | | |
|----------|--------------------|------|-----|
| Surface: | 2102 FSL / 737 FEL | NESE | Lot |
| BHL: | 2402 FNL / 493 FEL | SENE | Lot |

MORGAN STATE 921-36I1BS

| | | | |
|----------|--------------------|------|-----|
| Surface: | 2096 FSL / 729 FEL | NESE | Lot |
| BHL: | 2568 FSL / 493 FEL | NESE | Lot |

MORGAN STATE 921-36I1CS

| | | | |
|----------|--------------------|------|-----|
| Surface: | 2090 FSL / 722 FEL | NESE | Lot |
| BHL: | 2237 FSL / 493 FEL | NESE | Lot |

Pad: MORGAN STATE 921-36I PAD

Section 36 T9S R21E

Mineral Lease: ML-22265

Uintah County, Utah

Operator: Kerr-McGee Oil & Gas Onshore LP

This SUPO contains surface operating procedures for Kerr-McGee Oil & Gas Onshore LP (KMG), a wholly owned subsidiary of Anadarko Petroleum Corporation (APC) pertaining to actions that involve the State of Utah School and Institutional Trust Lands Administration (SITLA) in the development of minerals leased to APC/KMG (including but not limited to, APDs/SULAs/ROEs/ROWs and/or easements.)

See associated Utah Division of Oil, Gas, and Mining (UDOGM) Form 3(s), plats, maps, and other attachments for site-specific information on projects represented herein.

In accordance with Utah Oil & Gas Conservation Rule R649-3-11 pertaining to Directional Drilling, these wells will be directionally drilled. Refer to Topo Map A for directions to the location and Topo Maps A and B for location of access roads within a 2-mile radius.

A. Existing Roads:

Existing roads consist of county and improved/unimproved lease roads. KMG will maintain existing roads in a condition that is the same as or better than before operations began and in a safe and usable condition. Maintenance of existing roads will continue until final abandonment and reclamation of well pads and/or other facilities. The road maintenance may include, but is not limited to, blading, ditching, culvert installation/cleanout, surfacing, and dust control.

Typically, roads, gathering lines and electrical distribution lines will occupy common disturbance corridors and roadways will be used as working space. All disturbances located in the same corridor will overlap each other to the maximum extent possible; in no case will the maximum disturbance width of the access road and utility corridors exceed 50', unless otherwise approved.

B. Planned Access Roads:

Approximately $\pm 215'$ (0.04 miles) of proposed road re-route is proposed (see Topo Map B). Applicable Uintah County encroachment and/or pipeline crossing permits will be obtained prior to construction/development. No other pipelines will be crossed at this location.

If there are roads that are new or to be reconstructed, they will be located, designed, and maintained to meet the standards of SITLA and other commonly accepted Best Management Practices (BMPs). If a new road/corridor were to cross a water of the United States, KMG will adhere to the requirements of applicable Nationwide or Individual Permits of the Department of Army Corps of Engineers.

During the onsite, turnouts, major cut and fills, culverts, bridges, gates, cattle guards, low water crossings, or modifications needed to existing infrastructure/facilities were determined, as applicable, are typically shown on attached Exhibits and Topo maps.

C. Location of Existing and Proposed Facilities:

This pad will expand the existing pad for the Morgan State 12-36. The Morgan State 12-36 well location is a plugged and abandoned well according to Utah Division of Oil, Gas and Mining (UDOGM) records as of December 5, 2011.

Production facilities (see Well Pad Design Summary and Facilities Diagram):

Production facilities will be installed on the disturbed portion of the well pad and may include bermed components (typically excluding dehy's and/or separators) that contain fluids (i.e. production tanks, produced liquids tanks). The berms will be constructed of compacted subsoil or corrugated metal, impervious, designed to hold 110% of the capacity of the largest tank, and be independent of the back cut. All permanent (on-site six months or longer) above ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earth-tone color chosen at the onsite in coordination with SITLA.

Gathering Facilities:

The following pipeline transmission facilities will apply if the well is productive (see Topo D):

The total gas gathering (steel line pipe with fusion bond epoxy coating) pipeline distances from the meter to the tie in point is $\pm 1,650'$ and the individual segments are broken up as follows:

- ±355' (0.1 miles) –New 6" buried gas pipeline from the meter to the edge of the pad. Please refer to Topo D2 - Pad and Pipeline Detail.
- ±1,295' (0.2 miles) –New 6" buried gas pipeline from the edge of pad to the 921-36J intersection. Please refer to Topo D2 - Pad and Pipeline Detail.

The total liquid gathering pipeline distance from the separator to the tie in point is ±1,650' and the individual segments are broken up as follows:

- ±355' (0.1 miles) –New 6" buried liquid pipeline from the separator to the edge of the pad. Please refer to Topo D2 - Pad and Pipeline Detail.
- ±1,295' (0.2 miles) –New 6" buried liquid pipeline from the edge of pad to the 921-36J intersection. Please refer to Topo D2 - Pad and Pipeline Detail.

The liquid gathering lines will be made of polyethylene or a composite polyethylene/steel or polyethylene/fiberglass that is not subject to internal or external pipe corrosion. The content of the produced fluids to be transferred by the liquid gathering system will be approximately 92% produced water and 8% condensate. Trunk line valve connections for the water gathering system will be below ground but accessible from the surface in order to prevent freezing during winter time.

The proposed pipelines will be buried and will include gas gathering and liquid gathering pipelines in the same trench. Where the pipeline is adjacent to the road or well pad, the road and/or well pad will be utilized for construction activities and staging. KMG requests a permanent 30' right-of-way adjacent to the road for life-of-project for maintenance, repairs, and/or upgrades, no additional right-of-way will be needed beyond the 30'. Where the pipeline is not adjacent to the road or well pad, KMG requests a temporary 45' construction right-of-way 30' permanent right-of-way.

The proposed trench width for the pipeline would range from 18-48 inches and will be excavated to a depth of 48 to 60 inches of normal soil cover or 24 inches of cover in consolidated rock. During construction blasting may occur along the proposed right-of-way where trenching equipment cannot cut into the bedrock. Large debris and rocks removed from the earth during trenching and blasting that could not be returned to the trench would be distributed evenly and naturally in the project area. The proposed pipelines will be pressure tested pneumatically (depending on size) or with fluids (either fresh or produced). If fluids are used, there will be no discharge to the surface.

Pipeline signs will be installed along the right-of-way to indicate the pipeline proximity and ownership, as well as to provide emergency contact phone numbers. Above ground valves, T's, and/or cathodic protection will be installed at various locations for connection, corrosion prevention and/or for safety purposes.

D. Location and Type of Water Supply:

Water for drilling purposes will be obtained from one of the following sources:

- Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32 T4S R3E, Water User Claim number 43-8496, application number 53617.
- Price Water Pumping Inc. Green River and White River, various sources, Water Right Number 49-1659, application number: a35745.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

E. Source of Construction Materials:

Construction operations will typically be completed with native materials found on location. If needed, construction materials that must be imported to the site (mineral material aggregate, soils or materials suitable for fill/surfacing) will be obtained from a nearby permitted source and described in subsequent Sundry requests. No construction materials will be removed from State lands without prior approval from SITLA.

F. Methods for Handling Waste Materials:

Should the well be productive, produced water will be contained in a water tank and will be transported by pipeline and/or truck to an approved disposal sites facilities and/or Salt Water Disposal (SWD) injection well. Currently, those facilities are:

RNI in Sec. 5 T9S R22E
Ace Oilfield in Sec. 2 T6S R20E
MC&MC in Sec. 12 T6S R19E
Pipeline Facility in Sec. 36 T9S R20E
Goat Pasture Evaporation Pond in SW/4 Sec. 16 T10S R22E
Bonanza Evaporation Pond in Sec. 2 T10S R23E
Ouray #1 SWD in Sec. 1 T9S R21E
NBU 159 SWD in Sec. 35 T9S R21E
CIGE 112D SWD in Sec. 19 T9S R21E
CIGE 114 SWD in Sec. 34 T9S R21E
NBU 921-34K SWD in Sec. 34 T9S R21E
NBU 921-33F SWD in Sec. 33 T9S R21E
NBU 921-34L SWD in Sec. 34 T9S R21E

Kerr-McGee will use either a closed loop drilling system that will require one pit and one cuttings storage area to be constructed on the drilling pad or a traditional drilling operation with one pit used for drilling and completion operations. The cuttings storage area will be used to contain only the de-watered drill cuttings and will be lined and bermed to prevent any liquid runoff. The drill cuttings will be buried in the completion pit once completion operations are completed according to traditional pit closure standards. The pit will be constructed to allow for completion operations. The completion operations pit will be lined with a synthetic material 20 mil or thicker and will be used for the completing of the wells on the pad or used as part of our Aandarko Completions Transportation System (ACTS). Using the closed loop drilling system will allow Kerr-McGee to decrease the amount of disturbance/footprint on location compared to a single large drilling/completions pit.

If Kerr-McGee does not use a closed loop drilling system, it will construct a traditional drilling/completions pit to contain drill cuttings and for use in completion operations. The pit will be lined with a synthetic material 20 mil or thicker. The drill cuttings will be buried in the pit using traditional pit closure standards.

Unless otherwise approved, no oil or other oil based drill additives, chromium/metals-based, or saline muds will be used during drilling. Only fresh water, biodegradable polymer soap, bentonite clay, and /or non-toxic additives will be used in the system.

Pits will be constructed to minimize the accumulation of surface runoff. Should fluid hydrocarbons be encountered during drilling, completions, or well testing, product will either be contained in test tanks on the well site or evacuated by vacuum

trucks and transported to an approved disposal/sales facility. Should petroleum hydrocarbons unexpectedly be released into the pit, they will be removed as soon as practical but in no case will they remain longer than 72 hours unless an alternative is approved by SITLA. Should timely removal prove infeasible, the pit will be netted with mesh no larger than 1 inch until such time as the hydrocarbons can be removed. Hydrocarbon removal will also take place prior to the closure of the pit, unless authorization is provided for disposal via alternative pit closure methods. (e.g. solidification)

Any additional pits necessary for subsequent operations, such as temporary flare pits, or workover pits, will be contained within the originally approved well pad and disturbance boundaries. Such temporary pits will be backfilled and reclaimed within 180 days of completion of the work.

For the protection of livestock and wildlife, all open pits and cellars will be fenced/covered to prevent wildlife or livestock entry. Total height of pit fencing will be at least 42 inches and corner posts will be cemented and/or braced in such a manner as to keep the fence tight at all times. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

Pits containing drilling cuttings, mud, and/or completions fluids will be allowed to dry. Any free fluids remaining after six (6) months from reaching total depth, date of completion, and/or determination of inactivity will be removed (as weather conditions allow) to an approved site and the pit reclaimed. Additional drying methods may include fly-ash solidification or sprinkler evaporation. Installation and operation of any sprinklers, pumps, and equipment will ensure that water spray or mist does not drift. Reserve pit liners will be cut off or folded as near to the mud surface as possible and as safety considerations allow and buried on location.

No garbage or non-exempt substances as defined by Resource Conservation and Recovery Act (RCRA) subtitle C will be placed in the reserve pit. All refuse generated during construction, drilling, completion, and well testing activities will be contained in an enclosed receptacle, removed from the drill locations promptly, and transported to an approved disposal facility.

Portable, self-contained chemical toilets and/or sewage processing facilities will be provided for human waste disposal. Upon completion of operations, or as required, the toilet holding tanks will be pumped and the contents disposed of in an approved sewage disposal facility. All applicable regulations pertaining to disposal of human and solid waste will be observed.

Any undesirable event, including accidental release of fluids, or release in excess of reportable quantities, will be managed according to the notification requirements of UDOGMs "Reporting Oil and Gas Undesirable Events" rule. Where State wells are participatory to a Federal agreement, according to NTL-3A, the appropriate Federal agencies will be notified.

Materials Management

Hazardous materials above reportable quantities will not be produced by drilling or completing proposed wells or constructing the pipelines/facilities. The term "hazardous materials" as used here means: (1) any substance, pollutant, or containment listed as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) of 1980, as amended 42 U.S.C. 9601 et seq., and the regulations issued under CERCLA; and (2) any hazardous waste as defined in RCRA of 1976, as amended. In addition, no extremely hazardous substance, as defined in 40 CFR 355, in threshold planning quantities, would be used, produced, stored, transported, or disposed of while producing any well.

Chemicals subject to reporting under Title III of the Superfund Amendments and Reauthorization Act (SARA) in quantities of 10,000 pounds or more may be produced and/or stored at production facilities and may be kept in limited quantities on drilling sites and well locations for short periods of time during drilling or completion activities.

G. Ancillary Facilities:

None are anticipated.

H. Well Site Layout (see Well Pad Design Summary):

The location, orientation and aerial extent of each drill pad; reserve/completion/flare pit; access road ingress/egress points, drilling rig, dikes/ditches, existing wells/infrastructure; proposed cuts and fills; and topsoil and spoil material stockpile locations are depicted on the exhibits for each project, where applicable. Site-specific conditions may require slight deviation in actual equipment and facility layout; however, the area of disturbance, as described in the survey, will not be exceeded.

Coordinates are provided in the National Spatial Reference System, North American Datum, 1927 (NAD27) or latest edition. Distances are depicted on each plat to the nearest two adjacent section lines.

I. Plans for Reclamation of the Surface:

Surface reclamation will be undertaken in two phases: interim and final. Interim reclamation is conducted following well completion and extends through the period of production. This reclamation is for the area of the well pad that is not required for production activities. Final reclamation is conducted following well plugging/conversion and/or facility abandonment processes.

Reclamation activities in both phases may include but is not limited to the re-contouring or re-configuration of topographic surfaces, restoration of drainage systems, segregation of spoils materials, minimizing surface disturbance, re-evaluating backfill requirements, pit closure, topsoil redistribution, soil treatments, seeding and weed control.

Interim Reclamation

Interim reclamation includes pit closure, re-contouring (where possible), soil bed preparation, topsoil placement, seeding, and/or weed control.

Interim re-contouring involves bringing all construction material from cuts and fills back onto the well pad and site and reestablishing the natural contours where desirable and practical. Fill and stockpiled spoils no longer necessary to the operation will be spread on the cut slopes and covered with stockpiled topsoil. All stockpiled top soils will be used for interim reclamation where practical to maintain soil viability. Where possible, the land surface will be left "rough" after re-contouring to ensure that the maximum surface area will be available to support the reestablishment of vegetative cover.

A reserve pit, upon being allowed to dry, will be backfilled and compacted with cover materials that are void of any topsoil, vegetation, large stones, rocks or foreign objects. Soils that are moisture laden, saturated, or partially/

completely frozen will not be used for backfill or cover. The pit area will be mounded to allow for settling and to promote positive surface drainage away from the pit.

Final Reclamation

Final reclamation will be performed for newly drilled unproductive wells and/or at the end of the life of a productive well. As soon as practical after the conclusion of drilling and testing operations, unproductive drill holes will be plugged and abandoned (P&A). Site and road reclamation will commence following plugging. In no case will reclamation at non-producing locations be initiated later than six (6) months from the date a well is plugged. A joint inspection of the disturbed area to be reclaimed may be requested by KMG. The primary purpose of this inspection will be to review the existing conditions, or agree upon a revised final reclamation and abandonment plan. A Notice of Intent to Abandon will be filed for final recommendations regarding surface reclamation.

After plugging, all wellhead equipment that is no longer needed will be removed, and the well site will be reclaimed. Final contouring will blend with and follow as closely as practical the natural terrain and contours of the original site and surrounding areas. After re-contouring, final grading will be conducted over the entire surface of the well site and access road. Where practical, the area will be ripped to a depth of 18 to 24 inches on 18 to 24-inch centers and surface materials will be pitted with small depressions to form longitudinal depressions 12 to 18 inches deep perpendicular to the natural flow of water.

All unnecessary surface equipment and structures (e.g. cattle guards) and water control structures (e.g. culverts, drainage pipes) not needed to facilitate successful reclamation will be removed during final reclamation. Roads that will be reclaimed will be ripped to a depth of 18 inches where practical, re-contoured to approximate the original contour of the ground and seeded.

Upon successfully completing reclamation of a P&A location, a Final Abandonment Notice will be submitted to UDOGM.

Seeding and Measures Common to Interim and Final Reclamation

Reclaimed areas may be fenced to exclude grazing and encourage re-vegetation.

On slopes where severe erosion can become a problem and the use of machinery is not practical, seed will be hand broadcast and raked with twice the specified amount of seed. The slope will be stabilized using materials specifically designed to prevent erosion on steep slopes and hold seed in place so vegetation can become permanently established. These materials will include, but are not limited to, erosion control blankets and bonded fiber matrix at a rate to achieve a minimum of 80 percent soil coverage.

Seeding will occur year-round as conditions allow. Seed mixes appropriate to the native plant community as determined and specified for each project location based on the site specific soils will be used for re-vegetation. The site specific seed mix will be provided by SITLA.

J. Surface/Mineral Ownership:

SITLA
675 East 500 South, Suite 500
Salt Lake City, UT 84102

L. Other Information:

None

Morgan State 921-36H4BS/ 921-36H4CS/ 921-36I1BS/ 921-36I1CS

Surface Use Plan of Operations
9 of 9**M. Lessee's or Operators' Representative & Certification:**

Danielle Piernot
Regulatory Analyst II
Kerr-McGee Oil & Gas Onshore LP
PO Box 173779
Denver, CO 80217-3779
(720) 929-6156

Tommy Thompson
General Manager, Drilling
Kerr-McGee Oil & Gas Onshore LP
PO Box 173779
Denver, CO 80217-3779
(720) 929-6724


Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage for State lease activities is provided by State Surety Bond 22013542, and for applicable Federal lease activities and pursuant to 43 CFR 3104, by Bureau of Land Management Nationwide Bond WYB000291.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that I have full knowledge of the State and Federal laws applicable to this operation; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.



Danielle Piernot

December 19, 2011

Date



Kerr-McGee Oil & Gas Onshore LP
PO Box 173779
DENVER, CO 80217-3779

December 14, 2011

Ms. Diana Mason
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, UT 84114-6100

Re: Directional Drilling R649-3-11
Morgan State 921-3611BS
T9S-R21E
Section 36: NESE (Surface), NESE (Bottom Hole)
Surface: 2096' FSL, 729' FEL
Bottom Hole: 2568' FSL, 493' FEL
Uintah County, Utah

Dear Ms. Mason:

Pursuant to the filing of Kerr-McGee Oil & Gas Onshore LP's (Kerr-McGee) Application for Permit to Drill regarding the above referenced well, we are hereby submitting this letter in accordance with Oil & Gas Conservation Rule R649-3-11 pertaining to Directional Drilling.

- Kerr-McGee is permitting this well as a directional well in order to minimize surface disturbance. Locating the well at the surface location and directionally drilling from this location, Kerr-McGee will be able to utilize the existing roads and pipelines in the area.
- Furthermore, Kerr-McGee certifies that it is the sole working interest owner within 460 feet of the entire directional well bore.

Therefore, based on the above stated information, Kerr-McGee Oil & Gas Onshore LP requests the permit be granted pursuant to R649-3-11.

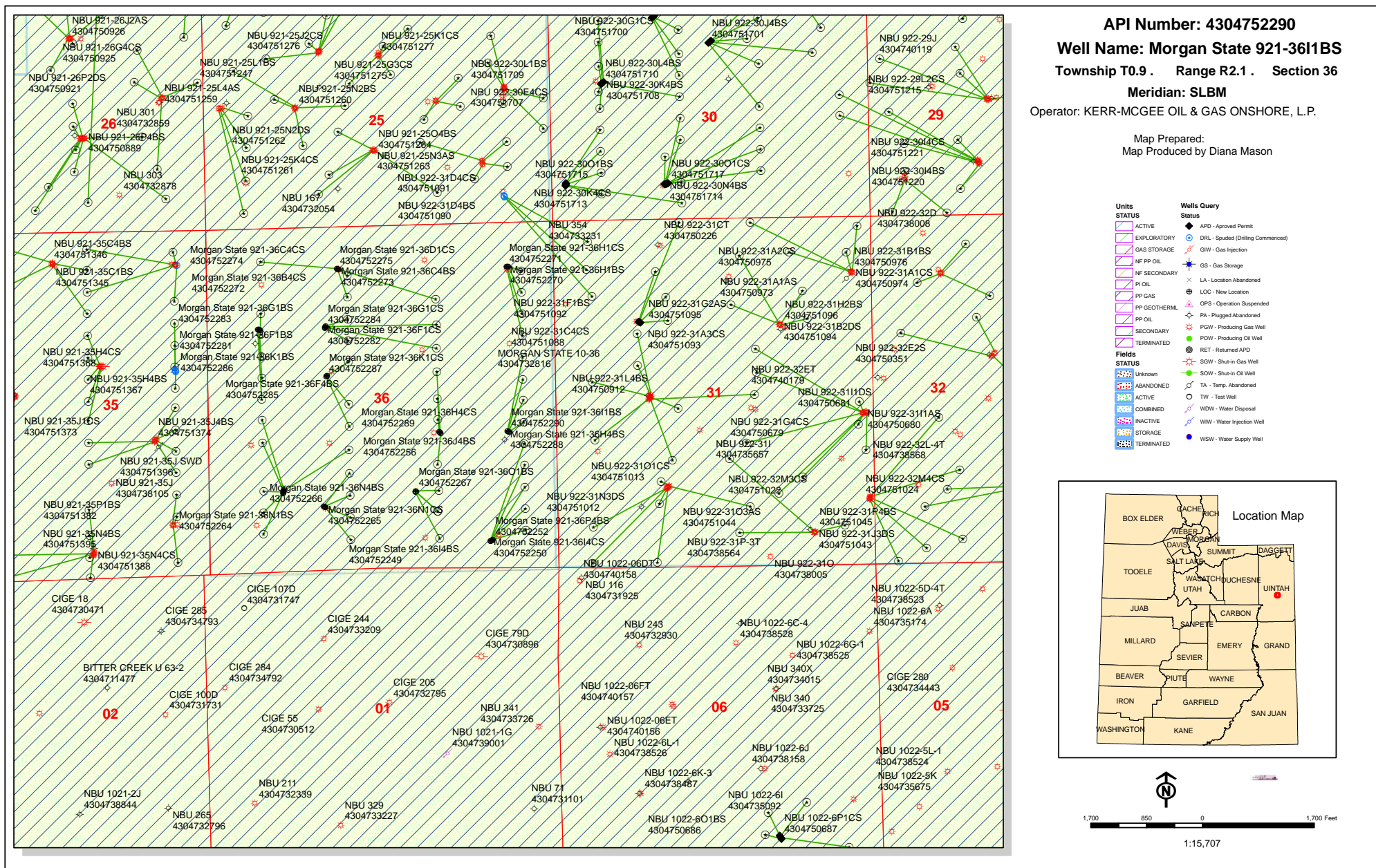
Sincerely,

KERR-MCGEE OIL & GAS ONSHORE LP

A handwritten signature in blue ink that reads 'Joe Matney'.

Joe Matney
Sr. Staff Landman

RECEIVED: December 19, 2011



| | | | | |
|--|--|-------|--|--|
| Well Name | KERR-MCGEE OIL & GAS ONSHORE, L.P. Morgan State 921-3611BS 4 | | | |
| String | Surf | Prod | | |
| Casing Size(in) | 8.625 | 4.500 | | |
| Setting Depth (TVD) | 2537 | 10510 | | |
| Previous Shoe Setting Depth (TVD) | 0 | 2537 | | |
| Max Mud Weight (ppg) | 8.4 | 13.0 | | |
| BOPE Proposed (psi) | 500 | 5000 | | |
| Casing Internal Yield (psi) | 3390 | 10690 | | |
| Operators Max Anticipated Pressure (psi) | 6937 | 12.7 | | |

| | | | | |
|---|--|-------|---|--------------------------|
| Calculations | Surf String | 8.625 | " | |
| Max BHP (psi) | .052*Setting Depth*MW= | 1108 | | |
| | | | BOPE Adequate For Drilling And Setting Casing at Depth? | |
| MASP (Gas) (psi) | Max BHP-(0.12*Setting Depth)= | 804 | NO | air drill |
| MASP (Gas/Mud) (psi) | Max BHP-(0.22*Setting Depth)= | 550 | NO | Reasonable depth in area |
| | | | *Can Full Expected Pressure Be Held At Previous Shoe? | |
| Pressure At Previous Shoe | Max BHP-.22*(Setting Depth - Previous Shoe Depth)= | 550 | NO | |
| Required Casing/BOPE Test Pressure= | | 2373 | psi | |
| *Max Pressure Allowed @ Previous Casing Shoe= | | 0 | psi *Assumes 1psi/ft frac gradient | |

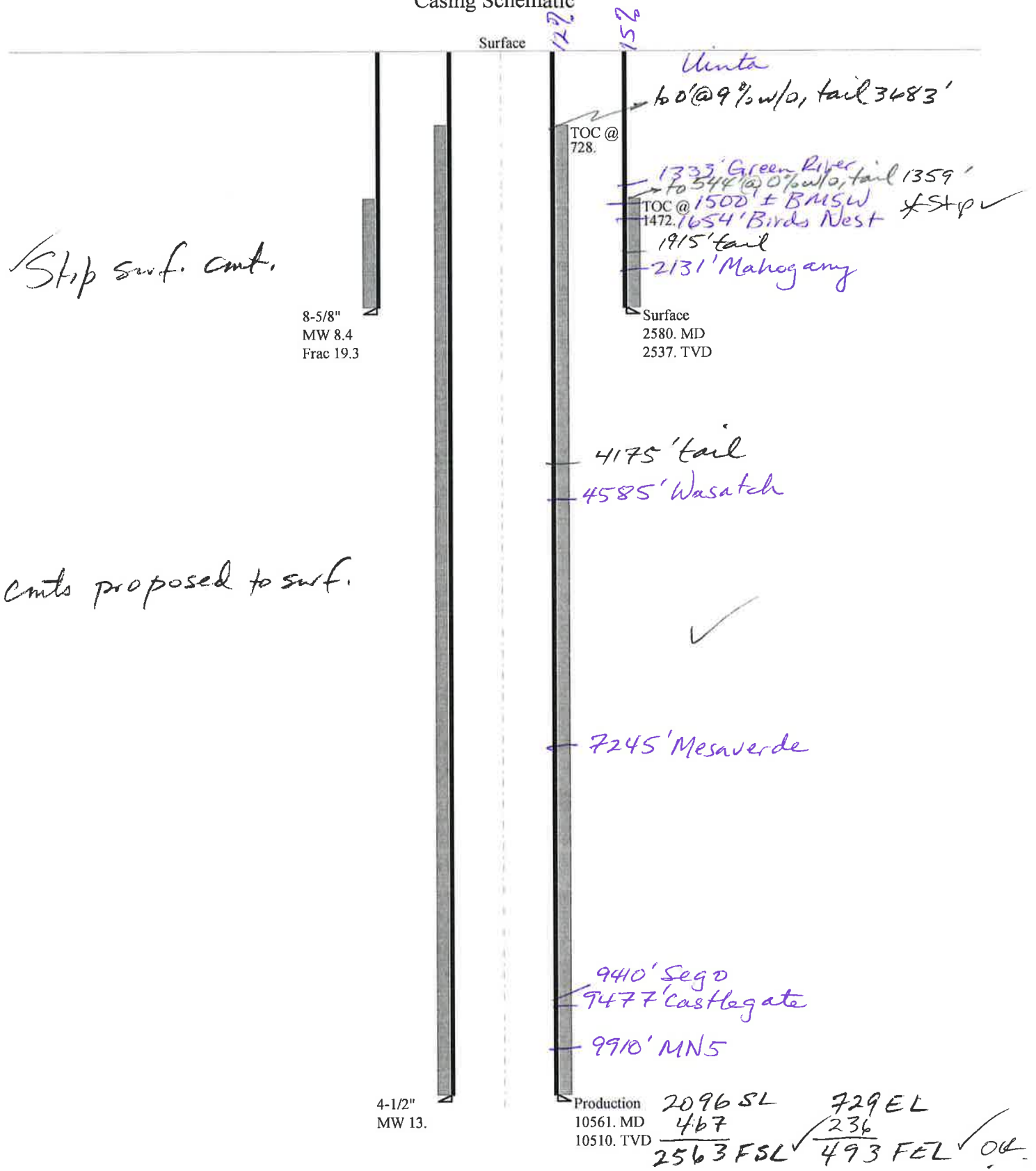
| | | | | |
|---|--|-------|---|------------|
| Calculations | Prod String | 4.500 | " | |
| Max BHP (psi) | .052*Setting Depth*MW= | 7105 | | |
| | | | BOPE Adequate For Drilling And Setting Casing at Depth? | |
| MASP (Gas) (psi) | Max BHP-(0.12*Setting Depth)= | 5844 | NO | |
| MASP (Gas/Mud) (psi) | Max BHP-(0.22*Setting Depth)= | 4793 | YES | OK |
| | | | *Can Full Expected Pressure Be Held At Previous Shoe? | |
| Pressure At Previous Shoe | Max BHP-.22*(Setting Depth - Previous Shoe Depth)= | 5351 | NO | Reasonable |
| Required Casing/BOPE Test Pressure= | | 5000 | psi | |
| *Max Pressure Allowed @ Previous Casing Shoe= | | 2537 | psi *Assumes 1psi/ft frac gradient | |

| | | | | |
|---|--|--|---|--|
| Calculations | String | | " | |
| Max BHP (psi) | .052*Setting Depth*MW= | | | |
| | | | BOPE Adequate For Drilling And Setting Casing at Depth? | |
| MASP (Gas) (psi) | Max BHP-(0.12*Setting Depth)= | | NO | |
| MASP (Gas/Mud) (psi) | Max BHP-(0.22*Setting Depth)= | | NO | |
| | | | *Can Full Expected Pressure Be Held At Previous Shoe? | |
| Pressure At Previous Shoe | Max BHP-.22*(Setting Depth - Previous Shoe Depth)= | | NO | |
| Required Casing/BOPE Test Pressure= | | | psi | |
| *Max Pressure Allowed @ Previous Casing Shoe= | | | psi *Assumes 1psi/ft frac gradient | |

| | | | | |
|---|--|--|---|--|
| Calculations | String | | " | |
| Max BHP (psi) | .052*Setting Depth*MW= | | | |
| | | | BOPE Adequate For Drilling And Setting Casing at Depth? | |
| MASP (Gas) (psi) | Max BHP-(0.12*Setting Depth)= | | NO | |
| MASP (Gas/Mud) (psi) | Max BHP-(0.22*Setting Depth)= | | NO | |
| | | | *Can Full Expected Pressure Be Held At Previous Shoe? | |
| Pressure At Previous Shoe | Max BHP-.22*(Setting Depth - Previous Shoe Depth)= | | NO | |
| Required Casing/BOPE Test Pressure= | | | psi | |
| *Max Pressure Allowed @ Previous Casing Shoe= | | | psi *Assumes 1psi/ft frac gradient | |

43047522900000 Morgan State 921-3611BS

Casing Schematic



NE SE Sec 36 - 9S - 21E

| | | | |
|--------------|---|-------------|--------------|
| Well name: | 43047522900000 Morgan State 921-361BS | | |
| Operator: | KERR-MCGEE OIL & GAS ONSHORE, L.P. | | |
| String type: | Surface | Project ID: | 43-047-52290 |
| Location: | UINTAH | COUNTY | |

Design parameters:**Collapse**

Mud weight: 8.400 ppg
Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 110 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: 1,472 ft

Burst

Max anticipated surface pressure: 2,236 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,540 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.70 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 2,258 ft

Directional Info - Build & Drop

Kick-off point 300 ft
Departure at shoe: 419 ft
Maximum dogleg: 2 °/100ft
Inclination at shoe: 12.25 °

Re subsequent strings:

Next setting depth: 10,510 ft
Next mud weight: 13.000 ppg
Next setting BHP: 7,097 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,540 ft
Injection pressure: 2,540 psi

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (lbs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Est. Cost (\$) |
|---------|---------------------|-------------------------|-------------------------|------------------|----------------------|----------------------|---------------------|-------------------------|-----------------------|
| 1 | 2580 | 8.625 | 28.00 | I-55 | LT&C | 2537 | 2580 | 7.892 | 102168 |
| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor | Tension Load (kips) | Tension Strength (kips) | Tension Design Factor |
| 1 | 1107 | 1880 | 1.698 | 2540 | 3390 | 1.33 | 71 | 348 | 4.90 J |

Prepared Helen Sadik-Macdonald
by: Div of Oil, Gas & Mining

Phone: 801 538-5357
FAX: 801-359-3940

Date: March 6, 2012
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2537 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

Engineering responsibility for use of this design will be that of the purchaser.

| | | | |
|--------------|---|-------------|--------------|
| Well name: | 43047522900000 Morgan State 921-361BS | | |
| Operator: | KERR-MCGEE OIL & GAS ONSHORE, L.P. | | |
| String type: | Production | Project ID: | 43-047-52290 |
| Location: | UINTAH COUNTY | | |

Design parameters:**Collapse**

Mud weight: 13.000 ppg
Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 221 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: 728 ft

Burst

Max anticipated surface pressure: 4,785 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 7,097 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.60 (B)

Directional Info - Build & Drop

Kick-off point 300 ft
Departure at shoe: 523 ft
Maximum dogleg: 2 °/100ft
Inclination at shoe: 0 °

Tension is based on air weight.
Neutral point: 8,519 ft

Estimated cost: 158,793 (\$)

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (lbs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Est. Cost (\$) |
|---------|---------------------|-----------|-------------------------|---------|------------|----------------------|---------------------|---------------------|----------------|
| 2 | 5000 | 4.5 | 11.60 | HCP-110 | DQX | 4949 | 5000 | 3.875 | 132000 |
| 1 | 5561 | 4.5 | 11.60 | HCP-110 | LT&C | 10510 | 10561 | 3.875 | 26793 |

| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor | Tension Load (kips) | Tension Strength (kips) | Tension Design Factor |
|---------|---------------------|-------------------------|------------------------|------------------|----------------------|---------------------|---------------------|-------------------------|-----------------------|
| 2 | 3342 | 8130 | 2.433 | 5874 | 10690 | 1.82 | 121.9 | 367.2 | 3.01 B |
| 1 | 7097 | 8650 | 1.219 | 7097 | 10690 | 1.51 | 64.5 | 279 | 4.33 J |

Prepared Helen Sadik-Macdonald
by: Div of Oil, Gas & Mining

Phone: 801 538-5357
FAX: 801-359-3940

Date: March 6, 2012
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 10510 ft, a mud weight of 13 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

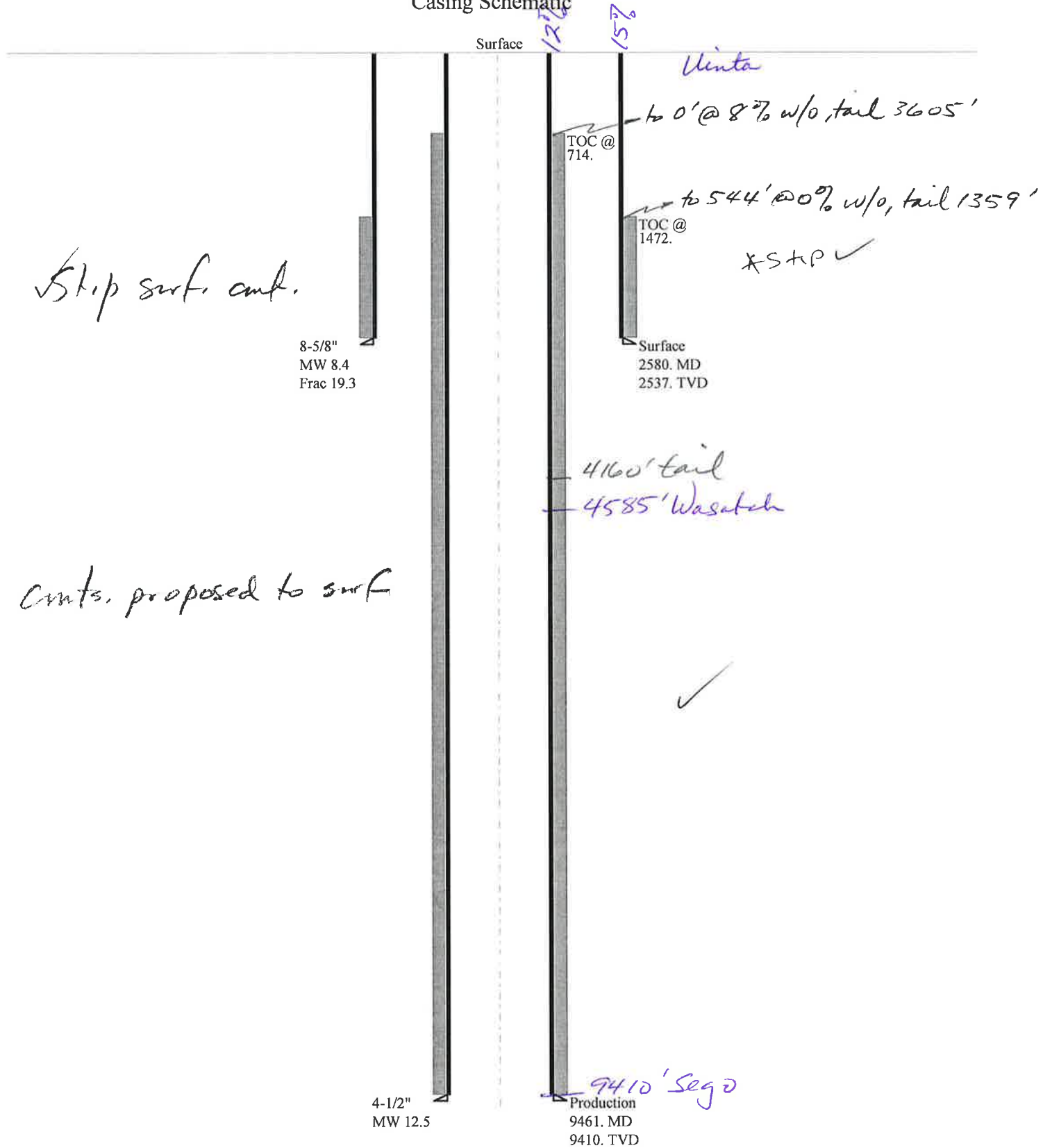
Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

Engineering responsibility for use of this design will be that of the purchaser.

43047522900000 Morgan State 921-3611BS

Casing Schematic



| | | | |
|--------------|---|-------------|--------------|
| Well name: | 43047522900000 Morgan State 921-361BS | | |
| Operator: | KERR-MCGEE OIL & GAS ONSHORE, L.P. | | |
| String type: | Surface | Project ID: | 43-047-52290 |
| Location: | UINTAH | COUNTY | |

Design parameters:**Collapse**

Mud weight: 8.400 ppg
Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 110 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: 1,472 ft

Burst

Max anticipated surface pressure: 2,236 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,540 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.70 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 2,258 ft

Directional Info - Build & Drop

Kick-off point 300 ft
Departure at shoe: 419 ft
Maximum dogleg: 2 °/100ft
Inclination at shoe: 12.25 °

Re subsequent strings:

Next setting depth: 9,410 ft
Next mud weight: 12.500 ppg
Next setting BHP: 6,110 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,540 ft
Injection pressure: 2,540 psi

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (lbs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Est. Cost (\$) |
|---------|---------------------|-------------------------|-------------------------|------------------|----------------------|----------------------|---------------------|-------------------------|-----------------------|
| 1 | 2580 | 8.625 | 28.00 | I-55 | LT&C | 2537 | 2580 | 7.892 | 102168 |
| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor | Tension Load (kips) | Tension Strength (kips) | Tension Design Factor |
| 1 | 1107 | 1880 | 1.698 | 2540 | 3390 | 1.33 | 71 | 348 | 4.90 J |

Prepared Helen Sadik-Macdonald
by: Div of Oil, Gas & Mining

Phone: 801 538-5357
FAX: 801-359-3940

Date: March 6, 2012
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2537 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

Engineering responsibility for use of this design will be that of the purchaser.

| | | | |
|--------------|---|-------------|--------------|
| Well name: | 43047522900000 Morgan State 921-361BS | | |
| Operator: | KERR-MCGEE OIL & GAS ONSHORE, L.P. | | |
| String type: | Production | Project ID: | 43-047-52290 |
| Location: | UINTAH | COUNTY | |

Design parameters:**Collapse**

Mud weight: 12.500 ppg
Internal fluid density: 1.000 ppg

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 206 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: 714 ft

Burst

Max anticipated surface pressure: 4,040 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 6,110 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.60 (B)

Directional Info - Build & Drop

Kick-off point 300 ft
Departure at shoe: 523 ft
Maximum dogleg: 2 °/100ft
Inclination at shoe: 0 °

Tension is based on air weight.
Neutral point: 7,703 ft

Estimated cost: 190,885 (\$)

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (lbs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Est. Cost (\$) |
|---------|---------------------|-----------|-------------------------|-------|------------|----------------------|---------------------|---------------------|----------------|
| 2 | 5000 | 4.5 | 11.60 | I-80 | DQX | 4949 | 5000 | 3.875 | 132000 |
| 1 | 4461 | 4.5 | 11.60 | I-80 | LT&C | 9410 | 9461 | 3.875 | 58885 |

| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor | Tension Load (kips) | Tension Strength (kips) | Tension Design Factor |
|---------|---------------------|-------------------------|------------------------|------------------|----------------------|---------------------|---------------------|-------------------------|-----------------------|
| 2 | 2956 | 5918 | 2.002 | 5129 | 7780 | 1.52 | 109.2 | 267 | 2.45 J |
| 1 | 5621 | 6360 | 1.131 | 6110 | 7780 | 1.27 | 51.7 | 212 | 4.10 J |

Prepared Helen Sadik-Macdonald
by: Div of Oil, Gas & Mining

Phone: 801 538-5357
FAX: 801-359-3940

Date: March 6, 2012
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 9410 ft, a mud weight of 12.5 ppg. An internal gradient of .052 psi/ft was used for collapse from TD. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

Engineering responsibility for use of this design will be that of the purchaser.

From: Jim Davis
To: APD APPROVAL
CC: Danielle Piernot; Julie Jacobson
Date: 4/2/2012 1:51 PM
Subject: Morgan State 921-36A Morgan State 921-36I pad wells

The following wells have been approved by SITLA including arch and paleo clearance.

Morgan State 921-36A4BS (4304752268)
Morgan State 921-36A4CS (4304752269)
Morgan State 921-36H1BS (4304752270)
Morgan State 921-36H1CS (4304752271)
Morgan State 921-36I1CS (4304752251)
Morgan State 921-36H4BS (4304752288)
Morgan State 921-36H4CS (4304752289)
Morgan State 921-36I1BS (4304752290)

Thanks.
-Jim

Jim Davis
Utah Trust Lands Administration
jimdavis1@utah.gov
Phone: (801) 538-5156

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator KERR-MCGEE OIL & GAS ONSHORE, L.P.
Well Name Morgan State 921-36I1BS
API Number 43047522900000 **APD No** 5078 **Field/Unit** NATURAL BUTTES
Location: 1/4,1/4 NESE **Sec** 36 **Tw** 9.0S **Rng** 21.0E 2096 FSL 729 FEL
GPS Coord (UTM) 628632 4427855 **Surface Owner**

Participants

Sheila Wopsock, Charles Chase, Danielle Piernot, Doyle Holmes, (Anadarko). John Slaugh, Mitch Batty, (Timberline). Jim Davis (SITLA). Alex Hansen (DWR). Chris Jensen and David Hackford, (DOGM).

Regional/Local Setting & Topography

This site is on an existing location, and very little new construction will be necessary.

This location is within the Natural Buttes Unit but this section is not part of the Natural Buttes Unit. It is approximately 14 road miles southeast of Ouray, Utah. The general area is at the head of a long unnamed wash east of Cottonwood Wash. Both washes enter the White River in the same general area, approximately six miles to the north. The area is characterized by rolling hills, which are frequently divided by somewhat gentle draws that drain northerly. This unnamed wash is an ephemeral drainage. No springs, seeps or streams exist in the area. An occasional pond constructed to supply water for cattle and antelope exists. The washes are sometimes rimmed with steep side hills, which have exposed sandstone bedrock cliffs along the rims.

Four new directional wells will be drilled from this location which currently has one well, the Morgan State 12-36. This well has been PA'd.

Surface Use Plan

Current Surface Use

Grazing
Wildlfe Habitat
Existing Well Pad

| New Road Miles | Well Pad | Src Const Material | Surface Formation |
|-----------------------|------------------------------------|---------------------------|--------------------------|
| 0.04 | Width 354 Length 455 | Onsite | UNTA |

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetlands N

Flora / Fauna

Prickly pear, wild onion, shadscale, mat saltbrush, Indian ricegrass, halogeton, pepper grass. Principal species present are cheatgrass, black sagebrush, stipa, mesquite grass.

Sheep, antelope, coyote, raptors, small mammals and birds.

Soil Type and Characteristics

Rocky sandy clay loam.

Erosion Issues Y

Erosion could be a problem if diversion ditches aren't maintained.

Sedimentation Issues N

Site Stability Issues N

Drainage Diversion Required? Y

Around west side of location.

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? Y Paleo Potential Observed? N Cultural Survey Run? Y Cultural Resources? N

Reserve Pit

Site-Specific Factors

Site Ranking

| | | |
|--|------------------|---------------------------|
| Distance to Groundwater (feet) | >200 | 0 |
| Distance to Surface Water (feet) | >1000 | 0 |
| Dist. Nearest Municipal Well (ft) | >5280 | 0 |
| Distance to Other Wells (feet) | | 20 |
| Native Soil Type | Mod permeability | 10 |
| Fluid Type | Fresh Water | 5 |
| Drill Cuttings | Normal Rock | 0 |
| Annual Precipitation (inches) | | 0 |
| Affected Populations | | |
| Presence Nearby Utility Conduits | Not Present | 0 |
| Final Score | | 35 1 Sensitivity Level |

Characteristics / Requirements

The reserve pit is planned in an area of cut on the south corner of the location.

Dimensions are 260' x 100' x 12' deep with two feet of freeboard. Kerr McGee has agreed to line this pit with a 30 mil synthetic liner and a layer of felt sub-liner.

Closed Loop Mud Required? N Liner Required? Y Liner Thickness 30 Pit Underlayment Required? Y

Other Observations / Comments

API Well Number: 43047522900000

David Hackford
Evaluator

1/11/2012
Date / Time

RECEIVED: April 10, 2012

Application for Permit to Drill Statement of Basis

Utah Division of Oil, Gas and Mining

4/10/2012

| | | | | | |
|------------------|---|---------------|--------------------------|-------------------|------------|
| APD No | API WellNo | Status | Well Type | Surf Owner | CBM |
| 5078 | 43047522900000 | SITLA | GW | S | No |
| Operator | KERR-MCGEE OIL & GAS ONSHORE, L.P. | | Surface Owner-APD | | |
| Well Name | Morgan State 921-36I1BS | | Unit | | |
| Field | NATURAL BUTTES | | Type of Work | DRILL | |
| Location | NESE 36 9S 21E S 2096 FSL 729 FEL GPS Coord (UTM) 628646E 4427853N | | | | |

Geologic Statement of Basis

Kerr McGee proposes to set 2,580' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 1,500'. A search of Division of Water Rights records shows one water well within a 10,000 foot radius of the center of Section 36. The well is listed as 2,640 feet deep and used for drilling water. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. The proposed casing and cement should adequately protect. Any usable ground water.

Brad Hill
APD Evaluator

2/8/2012
Date / Time

Surface Statement of Basis

The general area is in the central portion of the Natural Buttes Unit. Within this area is the White River and rugged drainages that drain into it. Topography is varied and frequently dissected by short draws or washes, which become overly steep as they approach the White River breaks or rim. Distance to the White River is six miles. The side drainages are dry except for ephemeral flows. No seeps or springs exist in the area. An occasional pond has been constructed to supply water for livestock and antelope. Vernal, Utah is approximately 43.6 miles to the northwest. Access from Vernal is by following Utah State, Uintah County and oilfield development roads.

Four wells will be directionally drilled from this location. They are the Morgan State 921-36I1CS, Morgan State 921-36I1BS, Morgan State 921-36H4CS and the Morgan State 921-36H4BS. The existing location currently has one well. This well is the Morgan State 12-36, and this well has been PA'd. A drainage ditch will be necessary around the west side of the location. The pad as modified should be stable and sufficient for five wells, and is the best site for a location in the immediate area.

New construction will consist of approximately 100 feet on the south, 100 feet on the west, 75 feet on the north, and 75 feet on the east side of the existing location.

Both the surface and minerals are owned by SITLA. Jim Davis of SITLA and Alex Hansen with DWR were invited by email to the pre-site evaluation. Both were present. Kerr McGee personnel were told to consult with SITLA for reclamation standards including seeding mixes to be used.

RECEIVED: April 10, 2012

David Hackford
Onsite Evaluator

1/11/2012
Date / Time

Conditions of Approval / Application for Permit to Drill

| Category | Condition |
|----------|---|
| Pits | A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit. |
| Pits | The reserve pit should be located on the south side of the location. |
| Surface | Drainages adjacent to the proposed pad shall be diverted around the location. |

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 12/19/2011

API NO. ASSIGNED: 43047522900000

WELL NAME: Morgan State 921-3611BS

OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P. (N2995)

PHONE NUMBER: 720 929-6156

CONTACT: Danielle Piernot

PROPOSED LOCATION: NESE 36 090S 210E

Permit Tech Review: ☒

SURFACE: 2096 FSL 0729 FEL

Engineering Review: ☒

BOTTOM: 2568 FSL 0493 FEL

Geology Review: ☒

COUNTY: UINTAH

LATITUDE: 39.99107

LONGITUDE: -109.49312

UTM SURF EASTINGS: 628646.00

NORTHINGS: 4427853.00

FIELD NAME: NATURAL BUTTES

LEASE TYPE: 3 - State

LEASE NUMBER: ML 22265

PROPOSED PRODUCING FORMATION(S): BLACKHAWK

SURFACE OWNER: 3 - State

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

☒ PLAT☒ Bond: STATE/FEE - 22013542☐ Potash☒ Oil Shale 190-5☐ Oil Shale 190-3☐ Oil Shale 190-13☒ Water Permit: 43-8496☐ RDCC Review:☐ Fee Surface Agreement☒ Intent to Commingle

Commingle Approved

LOCATION AND SITING:

☐ R649-2-3.

Unit:

☐ R649-3-2. General☐ R649-3-3. Exception☒ Drilling Unit

Board Cause No: Cause 173-24

Effective Date: 10/5/2009

Siting: 460' Fr Exterior Lease Boundary

☒ R649-3-11. Directional Drill

Comments: Presite Completed

Stipulations: 3 - Commingle - ddoucet
5 - Statement of Basis - bhll
15 - Directional - dmason
17 - Oil Shale 190-5(b) - dmason
25 - Surface Casing - hmadonald

RECEIVED: April 10, 2012



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: Morgan State 921-36I1BS

API Well Number: 43047522900000

Lease Number: ML 22265

Surface Owner: STATE

Approval Date: 4/10/2012

Issued to:

KERR-MCGEE OIL & GAS ONSHORE, L.P., P.O. Box 173779, Denver, CO 80217

Authority:

Pursuant to Utah Code Ann. 40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of Cause 173-24. The expected producing formation or pool is the BLACKHAWK Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

Commingle:

In accordance with Board Cause No. 173-24, commingling of the production from the Wasatch formation and the Mesaverde formation in this well is allowed.

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

In accordance with the Order in Cause No. 190-5(b) dated October 28, 1982, the operator shall comply with the requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operators shall ensure that the surface and or production casing is properly cemented over the entire oil

shale section as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the division.

Surface casing shall be cemented to the surface.

Additional Approvals:

The operator is required to obtain approval from the Division of Oil, Gas and mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan - contact Dustin Doucet
- Significant plug back of the well - contact Dustin Doucet
- Plug and abandonment of the well - contact Dustin Doucet

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well - contact Carol Daniels
OR
submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website
at <http://oilgas.ogm.utah.gov>
- 24 hours prior to testing blowout prevention equipment - contact Dan Jarvis
- 24 hours prior to cementing or testing casing - contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program
- contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well - contact Dan Jarvis

Contact Information:

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):

- Carol Daniels 801-538-5284 - office
- Dustin Doucet 801-538-5281 - office
801-733-0983 - after office hours
- Dan Jarvis 801-538-5338 - office
801-231-8956 - after office hours

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) - due within 5 days of spudding the well
- Monthly Status Report (Form 9) - due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) - due prior to implementation
- Written Notice of Emergency Changes (Form 9) - due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) - due prior to implementation
- Report of Water Encountered (Form 7) - due within 30 days after completion
- Well Completion Report (Form 8) - due within 30 days after completion or

plugging

Approved By:

A handwritten signature in black ink, appearing to read "J. Rogers", written over a horizontal line.

For John Rogers
Associate Director, Oil & Gas

BLM - Vernal Field Office - Notification Form

Operator KERR-McGEE OIL & GAS Rig Name/# BUCKET RIG
Submitted By J. Scharnowske Phone Number 720.929.6029
Well Name/Number MORGAN STATE 921-3611BS
Qtr/Qtr NESE Section 36 Township 9S Range 21E
Lease Serial Number ML 22265
API Number 4304752290

Spud Notice – Spud is the initial spudding of the well, not drilling out below a casing string.

Date/Time 07/26/2012 11:00 HRS AM ☐ PM ☐

Casing – Please report time casing run starts, not cementing times.

- ☒ Surface Casing
☐ Intermediate Casing
☐ Production Casing
☐ Liner
☐ Other

Date/Time 08/05/2012 08:00 HRS AM ☐ PM ☐

BOPE

- ☐ Initial BOPE test at surface casing point
☐ BOPE test at intermediate casing point
☐ 30 day BOPE test
☐ Other

RECEIVED

JUL 25 2012

DIV. OF OIL, GAS & MINING

Date/Time _____ AM ☐ PM ☐

Remarks ESTIMATED DATE AND TIME. PLEASE CONTACT KENNY GATHINGS AT

435.828.0986 OR LOVEL YOUNG AT 435.781.7051

| | | |
|---|--|--|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | | FORM 9 |
| SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | 5. LEASE DESIGNATION AND SERIAL NUMBER: ML 22265 |
| 1. TYPE OF WELL Gas Well | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P. | | 7. UNIT or CA AGREEMENT NAME: |
| 3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 | | 8. WELL NAME and NUMBER: Morgan State 921-361BS |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 2096 FSL 0729 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 36 Township: 09.0S Range: 21.0E Meridian: S | | 9. API NUMBER: 43047522900000 |
| PHONE NUMBER: 720 929-6514 | | 9. FIELD and POOL or WILDCAT: NATURAL BUTTES |
| COUNTY: UTAH | | STATE: UTAH |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | |
| TYPE OF SUBMISSION | TYPE OF ACTION | |
| <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: | <input type="checkbox"/> ACIDIZE | |
| <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: | <input type="checkbox"/> ALTER CASING | |
| <input checked="" type="checkbox"/> SPUD REPORT Date of Spud: 7/26/2012 | <input type="checkbox"/> CASING REPAIR | |
| <input type="checkbox"/> DRILLING REPORT Report Date: | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | |
| | <input type="checkbox"/> CHANGE WELL STATUS | |
| | <input type="checkbox"/> CHANGE WELL NAME | |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | |
| | <input type="checkbox"/> CONVERT WELL TYPE | |
| | <input type="checkbox"/> DEEPEN | |
| | <input type="checkbox"/> FRACTURE TREAT | |
| | <input type="checkbox"/> NEW CONSTRUCTION | |
| | <input type="checkbox"/> OPERATOR CHANGE | |
| | <input type="checkbox"/> PLUG AND ABANDON | |
| | <input type="checkbox"/> PLUG BACK | |
| | <input type="checkbox"/> PRODUCTION START OR RESUME | |
| | <input type="checkbox"/> RECLAMATION OF WELL SITE | |
| | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION | |
| | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | |
| | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | |
| | <input type="checkbox"/> TEMPORARY ABANDON | |
| | <input type="checkbox"/> TUBING REPAIR | |
| | <input type="checkbox"/> VENT OR FLARE | |
| | <input type="checkbox"/> WATER DISPOSAL | |
| | <input type="checkbox"/> WATER SHUTOFF | |
| | <input type="checkbox"/> SI TA STATUS EXTENSION | |
| | <input type="checkbox"/> WILDCAT WELL DETERMINATION | |
| | <input type="checkbox"/> OTHER: <input style="width: 100px;" type="text"/> | |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. MIRU TRIPLE A BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE 10 CONDUCTOR PIPE. CEMENT WITH 28 SACKS READY MIX. SPUD WELL LOCATION ON JULY 26, 2012 AT 11:30 HRS. | | |
| Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY August 07, 2012 | | |
| NAME (PLEASE PRINT) Jaime Scharnowske | PHONE NUMBER 720 929-6304 | TITLE Regulatory Analyst |
| SIGNATURE N/A | DATE 8/2/2012 | |

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: KERR McGEE OIL & GAS ONSHORE LP Operator Account Number: N 2995
Address: P.O. Box 173779
city DENVER
state CO zip 80217 Phone Number: (720) 929-6304

Well 1

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|--|-------------------------|-------------------|-----------|-----|-----|----------------------------------|--------|
| 4304752251 | Morgan State 921-36I1CS | | NESE | 36 | 9S | 21E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | | Entity Assignment Effective Date | |
| A | 99999 | 18670 | 7/26/2012 | | | 8/20/2012 | |
| Comments: MIRU TRIPLE A BUCKET RIG. MVRD SPUD WELL LOCATION ON 7/26/2012 AT 09:30 HRS. BHL: nese | | | | | | | |

Well 2

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|--|-------------------------|-------------------|-----------|-----|-----|----------------------------------|--------|
| 4304752290 | Morgan State 921-36I1BS | | NESE | 36 | 9S | 21E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | | Entity Assignment Effective Date | |
| A | 99999 | 18671 | 7/26/2012 | | | 8/20/2012 | |
| Comments: MIRU TRIPLE A BUCKET RIG. MVRD SPUD WELL LOCATION ON 7/26/2012 AT 11:30 HRS. BHL: nese | | | | | | | |

Well 3

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|--|-------------------------|-------------------|-----------|-----|-----|----------------------------------|--------|
| 4304752289 | Morgan State 921-36H4CS | | NESE | 36 | 9S | 21E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | | Entity Assignment Effective Date | |
| A | 99999 | 18672 | 7/26/2012 | | | 8/20/2012 | |
| Comments: MIRU TRIPLE A BUCKET RIG. MVRD SPUD WELL LOCATION ON 7/26/2012 AT 13:00 HRS. BHL: Sene | | | | | | | |

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

JAIME SCHARNOWSKE

Name (Please Print)

Jaime Scharnowske

Signature

REGULATORY ANALYST

8/2/2012

Title

Date

RECEIVED

AUG 06 2012

| | | |
|--|--|--|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | | FORM 9 |
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| 3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 | | 8. WELL NAME and NUMBER: MORGAN STATE 921-361BS |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 2096 FSL 0729 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 36 Township: 09.0S Range: 21.0E Meridian: S | | 9. API NUMBER: 43047522900000 |
| PHONE NUMBER: 720 929-6511 | | 9. FIELD and POOL or WILDCAT: NATURAL BUTTES |
| COUNTY: UTAH | | STATE: UTAH |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | |
| TYPE OF SUBMISSION | TYPE OF ACTION | |
| <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: | <input type="checkbox"/> ACIDIZE | |
| <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: | <input type="checkbox"/> ALTER CASING | |
| <input type="checkbox"/> SPUD REPORT Date of Spud: | <input type="checkbox"/> CASING REPAIR | |
| <input checked="" type="checkbox"/> DRILLING REPORT Report Date: 10/3/2012 | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | |
| | <input type="checkbox"/> CHANGE TUBING | |
| | <input type="checkbox"/> CHANGE WELL STATUS | |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | |
| | <input type="checkbox"/> CONVERT WELL TYPE | |
| | <input type="checkbox"/> DEEPEN | |
| | <input type="checkbox"/> FRACTURE TREAT | |
| | <input type="checkbox"/> NEW CONSTRUCTION | |
| | <input type="checkbox"/> OPERATOR CHANGE | |
| | <input type="checkbox"/> PLUG AND ABANDON | |
| | <input type="checkbox"/> PLUG BACK | |
| | <input type="checkbox"/> PRODUCTION START OR RESUME | |
| | <input type="checkbox"/> RECLAMATION OF WELL SITE | |
| | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION | |
| | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | |
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| | <input type="checkbox"/> TUBING REPAIR | |
| | <input type="checkbox"/> VENT OR FLARE | |
| | <input type="checkbox"/> WATER DISPOSAL | |
| | <input type="checkbox"/> WATER SHUTOFF | |
| | <input type="checkbox"/> SI TA STATUS EXTENSION | |
| | <input type="checkbox"/> WILDCAT WELL DETERMINATION | |
| | <input type="checkbox"/> OTHER: <input style="width: 100px;" type="text"/> | |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. No Activity for the month of September 2012. Well TD at 2,696. | | |
| Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY October 03, 2012 | | |
| NAME (PLEASE PRINT) Lindsey Frazier | PHONE NUMBER 720 929-6857 | TITLE Regulatory Analyst II |
| SIGNATURE N/A | DATE 10/3/2012 | |

State of Utah - Notification Form

Operator Anadarko Petroleum Rig Name/# HP 318 Submitted
By BRAD PEDERSEN Phone Number 435-828-
0988/1544
Well Name/Number MORGAN STATE 921-36I1BS
Qtr/Qtr NE/SE Section 36 Township 9S Range 21E
Lease Serial Number 22265
API Number 4304752290

Casing – Time casing run starts, not cementing times.

☒ Production Casing
☐ Other

Date/Time 10/3/2012 12:00 AM ☐ PM ☒

BOPE

☐ Initial BOPE test at surface casing point
☐ Other

Date/Time _____ AM ☐ PM ☐

RECEIVED

OCT 02 2012

Rig Move

Location To: MORGAN STATE 921-36H4CS

DIV. OF OIL, GAS & MINING

Date/Time 10/3/2012 18:00 AM ☐ PM ☒

Remarks TIME IS ESTIMATED

| | | |
|--|---|--|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | | FORM 9 |
| SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | 5. LEASE DESIGNATION AND SERIAL NUMBER: ML 22265 |
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| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 2096 FSL 0729 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 36 Township: 09.0S Range: 21.0E Meridian: S | | 9. API NUMBER: 43047522900000 |
| PHONE NUMBER: 720 929-6511 | | 9. FIELD and POOL or WILDCAT: NATURAL BUTTES |
| COUNTY: UTAH | | STATE: UTAH |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | |
| TYPE OF SUBMISSION | TYPE OF ACTION | |
| <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input checked="" type="checkbox"/> DRILLING REPORT Report Date: 10/4/2012 | <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100%;" type="text"/> </div> </div> | |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. <div style="display: flex; justify-content: space-between;"> <div style="width: 65%;"> FINISHED DRILLING TO 9,468' ON 10/02/2012. CEMENTED PRODUCTION CASING. RELEASED H&P 318 RIG ON 10/04/2012. DETAILS OF CASING AND CEMENT WILL BE INCLUDED WITH THE WELL COMPLETION REPORT. WELL IS WAITING ON FINAL COMPLETION ACTIVITIES </div> <div style="width: 30%; text-align: center;"> Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY October 16, 2012 </div> </div> | | |
| NAME (PLEASE PRINT) Lindsey Frazier | PHONE NUMBER 720 929-6857 | TITLE Regulatory Analyst II |
| SIGNATURE N/A | | DATE 10/8/2012 |

| | | |
|--|--|--|
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| COUNTY: UTAH | | STATE: UTAH |
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| TYPE OF SUBMISSION | TYPE OF ACTION | |
| <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: | <input type="checkbox"/> ACIDIZE | |
| <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: | <input type="checkbox"/> ALTER CASING | |
| <input type="checkbox"/> SPUD REPORT Date of Spud: | <input type="checkbox"/> CASING REPAIR | |
| <input checked="" type="checkbox"/> DRILLING REPORT Report Date: 12/3/2012 | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | |
| | <input type="checkbox"/> CHANGE TUBING | |
| | <input type="checkbox"/> CHANGE WELL STATUS | |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | |
| | <input type="checkbox"/> CONVERT WELL TYPE | |
| | <input type="checkbox"/> DEEPEN | |
| | <input type="checkbox"/> FRACTURE TREAT | |
| | <input type="checkbox"/> NEW CONSTRUCTION | |
| | <input type="checkbox"/> OPERATOR CHANGE | |
| | <input type="checkbox"/> PLUG AND ABANDON | |
| | <input type="checkbox"/> PLUG BACK | |
| | <input type="checkbox"/> PRODUCTION START OR RESUME | |
| | <input type="checkbox"/> RECLAMATION OF WELL SITE | |
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| | <input type="checkbox"/> WATER DISPOSAL | |
| | <input type="checkbox"/> WATER SHUTOFF | |
| | <input type="checkbox"/> SI TA STATUS EXTENSION | |
| | <input type="checkbox"/> WILDCAT WELL DETERMINATION | |
| | <input type="checkbox"/> OTHER: <input style="width: 100px;" type="text"/> | |
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| Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY December 05, 2012 | | |
| NAME (PLEASE PRINT) Jaime Scharnowske | PHONE NUMBER 720 929-6304 | TITLE Regularatory Analyst |
| SIGNATURE N/A | DATE 12/3/2012 | |

| | | |
|--|--|--|
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| 1. TYPE OF WELL Gas Well | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P. | | 7. UNIT or CA AGREEMENT NAME: |
| 3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 | | 8. WELL NAME and NUMBER: MORGAN STATE 921-3611BS |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 2096 FSL 0729 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 36 Township: 09.0S Range: 21.0E Meridian: S | | 9. API NUMBER: 43047522900000 |
| PHONE NUMBER: 720 929-6511 | | 9. FIELD and POOL or WILDCAT: NATURAL BUTTES |
| COUNTY: UTAH | | STATE: UTAH |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | |
| TYPE OF SUBMISSION | TYPE OF ACTION | |
| <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: | <input type="checkbox"/> ACIDIZE | |
| <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: | <input type="checkbox"/> ALTER CASING | |
| <input type="checkbox"/> SPUD REPORT Date of Spud: | <input type="checkbox"/> CASING REPAIR | |
| <input checked="" type="checkbox"/> DRILLING REPORT Report Date: 1/3/2013 | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | |
| | <input type="checkbox"/> CHANGE TUBING | |
| | <input type="checkbox"/> CHANGE WELL STATUS | |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | |
| | <input type="checkbox"/> CONVERT WELL TYPE | |
| | <input type="checkbox"/> DEEPEN | |
| | <input type="checkbox"/> FRACTURE TREAT | |
| | <input type="checkbox"/> NEW CONSTRUCTION | |
| | <input type="checkbox"/> OPERATOR CHANGE | |
| | <input type="checkbox"/> PLUG AND ABANDON | |
| | <input type="checkbox"/> PLUG BACK | |
| | <input type="checkbox"/> PRODUCTION START OR RESUME | |
| | <input type="checkbox"/> RECLAMATION OF WELL SITE | |
| | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION | |
| | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | |
| | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | |
| | <input type="checkbox"/> TEMPORARY ABANDON | |
| | <input type="checkbox"/> TUBING REPAIR | |
| | <input type="checkbox"/> VENT OR FLARE | |
| | <input type="checkbox"/> WATER DISPOSAL | |
| | <input type="checkbox"/> WATER SHUTOFF | |
| | <input type="checkbox"/> SI TA STATUS EXTENSION | |
| | <input type="checkbox"/> WILDCAT WELL DETERMINATION | |
| | <input type="checkbox"/> OTHER: <input style="width: 100px;" type="text"/> | |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Started completing the well. Well TD at 9,468 | | |
| Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY January 07, 2013 | | |
| NAME (PLEASE PRINT) Lindsey Frazier | PHONE NUMBER 720 929-6857 | TITLE Regulatory Analyst II |
| SIGNATURE N/A | DATE 1/3/2013 | |

| | | |
|--|--|--|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | | FORM 9 |
| SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | 5. LEASE DESIGNATION AND SERIAL NUMBER: ML 22265 |
| 1. TYPE OF WELL Gas Well | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P. | | 7. UNIT or CA AGREEMENT NAME: |
| 3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 | | 8. WELL NAME and NUMBER: MORGAN STATE 921-3611BS |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 2096 FSL 0729 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 36 Township: 09.0S Range: 21.0E Meridian: S | | 9. API NUMBER: 43047522900000 |
| PHONE NUMBER: 720 929-6511 | | 9. FIELD and POOL or WILDCAT: NATURAL BUTTES |
| COUNTY: UTAH | | STATE: UTAH |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | |
| TYPE OF SUBMISSION | TYPE OF ACTION | |
| <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: | <input type="checkbox"/> ACIDIZE | |
| <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: | <input type="checkbox"/> ALTER CASING | |
| <input type="checkbox"/> SPUD REPORT Date of Spud: | <input type="checkbox"/> CASING REPAIR | |
| <input checked="" type="checkbox"/> DRILLING REPORT Report Date: 2/4/2013 | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | |
| | <input type="checkbox"/> CHANGE TUBING | |
| | <input type="checkbox"/> CHANGE WELL STATUS | |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | |
| | <input type="checkbox"/> CONVERT WELL TYPE | |
| | <input type="checkbox"/> DEEPEN | |
| | <input type="checkbox"/> FRACTURE TREAT | |
| | <input type="checkbox"/> NEW CONSTRUCTION | |
| | <input type="checkbox"/> OPERATOR CHANGE | |
| | <input type="checkbox"/> PLUG AND ABANDON | |
| | <input type="checkbox"/> PLUG BACK | |
| | <input type="checkbox"/> PRODUCTION START OR RESUME | |
| | <input type="checkbox"/> RECLAMATION OF WELL SITE | |
| | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION | |
| | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | |
| | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | |
| | <input type="checkbox"/> TEMPORARY ABANDON | |
| | <input type="checkbox"/> TUBING REPAIR | |
| | <input type="checkbox"/> VENT OR FLARE | |
| | <input type="checkbox"/> WATER DISPOSAL | |
| | <input type="checkbox"/> WATER SHUTOFF | |
| | <input type="checkbox"/> SI TA STATUS EXTENSION | |
| | <input type="checkbox"/> WILDCAT WELL DETERMINATION | |
| | <input type="checkbox"/> OTHER: <input style="width: 100px;" type="text"/> | |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Started completing the well. Well TD at 9,468 | | |
| Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY February 07, 2013 | | |
| NAME (PLEASE PRINT) Laura Abrams | PHONE NUMBER 720 929-6356 | TITLE Regulatory Analyst II |
| SIGNATURE N/A | DATE 2/4/2013 | |

| | | |
|--|--|--|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | | FORM 9 |
| SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | 5. LEASE DESIGNATION AND SERIAL NUMBER: ML 22265 |
| 1. TYPE OF WELL Gas Well | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P. | | 7. UNIT or CA AGREEMENT NAME: |
| 3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 | | 8. WELL NAME and NUMBER: MORGAN STATE 921-361BS |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 2096 FSL 0729 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 36 Township: 09.0S Range: 21.0E Meridian: S | | 9. API NUMBER: 43047522900000 |
| 5. FIELD and POOL or WILDCAT: NATURAL BUTTES | | 9. FIELD and POOL or WILDCAT: NATURAL BUTTES |
| COUNTY: UTAH | | STATE: UTAH |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | |
| TYPE OF SUBMISSION | TYPE OF ACTION | |
| <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: | <input type="checkbox"/> ACIDIZE | |
| <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: | <input type="checkbox"/> ALTER CASING | |
| <input type="checkbox"/> SPUD REPORT Date of Spud: | <input type="checkbox"/> CASING REPAIR | |
| <input checked="" type="checkbox"/> DRILLING REPORT Report Date: 2/1/2013 | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | |
| | <input type="checkbox"/> CHANGE WELL STATUS | |
| | <input type="checkbox"/> CHANGE WELL NAME | |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | |
| | <input type="checkbox"/> CONVERT WELL TYPE | |
| | <input type="checkbox"/> DEEPEN | |
| | <input type="checkbox"/> FRACTURE TREAT | |
| | <input type="checkbox"/> NEW CONSTRUCTION | |
| | <input type="checkbox"/> OPERATOR CHANGE | |
| | <input type="checkbox"/> PLUG AND ABANDON | |
| | <input type="checkbox"/> PLUG BACK | |
| | <input checked="" type="checkbox"/> PRODUCTION START OR RESUME | |
| | <input type="checkbox"/> RECLAMATION OF WELL SITE | |
| | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION | |
| | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | |
| | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | |
| | <input type="checkbox"/> TEMPORARY ABANDON | |
| | <input type="checkbox"/> TUBING REPAIR | |
| | <input type="checkbox"/> VENT OR FLARE | |
| | <input type="checkbox"/> WATER DISPOSAL | |
| | <input type="checkbox"/> WATER SHUTOFF | |
| | <input type="checkbox"/> SI TA STATUS EXTENSION | |
| | <input type="checkbox"/> WILDCAT WELL DETERMINATION | |
| | <input type="checkbox"/> OTHER: <input style="width: 100px;" type="text"/> | |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. The subject well was placed on production on 02/01/2013. The Chronological Well History will be submitted with the well completion report. | | |
| Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY February 20, 2013 | | |
| NAME (PLEASE PRINT) Lindsey Frazier | PHONE NUMBER 720 929-6857 | TITLE Regulatory Analyst II |
| SIGNATURE N/A | DATE 2/6/2013 | |

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

RECEIVED

MAR 05 2013

AMENDED REPORT ☐ FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

| | | | | | | | |
|---|--|--|--|--|-----------------------------------|---|--------------------------------|
| 1a. TYPE OF WELL: | | OIL WELL <input type="checkbox"/> | GAS WELL <input checked="" type="checkbox"/> | DRY <input type="checkbox"/> | OTHER <input type="checkbox"/> | 5. LEASE DESIGNATION AND SERIAL NUMBER: ML 22265 | |
| b. TYPE OF WORK: | | NEW WELL <input checked="" type="checkbox"/> | HORIZ. LATS. <input type="checkbox"/> | DEEP-EN <input type="checkbox"/> | RE-ENTRY <input type="checkbox"/> | DIFF. RESVR. <input type="checkbox"/> | OTHER <input type="checkbox"/> |
| 2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE, L.P. | | | | | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME | |
| 3. ADDRESS OF OPERATOR: P.O.BOX 173779 CITY DENVER STATE CO ZIP 80217 | | | | PHONE NUMBER: (720) 929-6000 | | 7. UNIT or CA AGREEMENT NAME | |
| 4. LOCATION OF WELL (FOOTAGES) AT SURFACE: NESE 2096 FSL 729 FEL S36,T9S,R21E AT TOP PRODUCING INTERVAL REPORTED BELOW: NESE 2580 FSL 502 FEL S36,T9S,R21E AT TOTAL DEPTH: NESE 2567 FSL 494 FEL S36,T9S,R21E | | | | | | 8. WELL NAME and NUMBER: MORGAN STATE 921-361BS | |
| 14. DATE SPURRED: 7/26/2012 | | | | | | 9. API NUMBER: 4304752290 | |
| 15. DATE T.D. REACHED: 10/2/2012 | | | | | | 10 FIELD AND POOL, OR WILDCAT NATURAL BUTTES | |
| 16. DATE COMPLETED: 2/1/2013 | | | | | | 11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 36 9S 21E S | |
| 18. TOTAL DEPTH: MD 9,468 TVD 9,414 | | | | | | 12. COUNTY UINTAH | |
| 19. PLUG BACK T.D.: MD 9,411 TVD 9,357 | | | | | | 13. STATE UTAH | |
| 20. IF MULTIPLE COMPLETIONS, HOW MANY? * | | | | | | 17. ELEVATIONS (DF, RKB, RT, GL): 5059 RKB | |
| 22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) CBL/GR/CCL/TEMP | | | | | | 21. DEPTH BRIDGE MD PLUG SET: TVD | |
| 23. | | | | | | 23. | |
| WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) | | | | | | | |
| WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report) | | | | | | | |
| DIRECTIONAL SURVEY? NO <input type="checkbox"/> YES <input checked="" type="checkbox"/> (Submit copy) | | | | | | | |

24. CASING AND LINER RECORD (Report all strings set in well)

| HOLE SIZE | SIZE/GRADE | WEIGHT (#/ft.) | TOP (MD) | BOTTOM (MD) | STAGE CEMENTER DEPTH | CEMENT TYPE & NO. OF SACKS | SLURRY VOLUME (BBL) | CEMENT TOP ** | AMOUNT PULLED |
|-----------|--------------|----------------|----------|-------------|----------------------|----------------------------|---------------------|---------------|---------------|
| 20" | 14" STL | 36.7# | 0 | 40 | | 28 | | | |
| 11" | 8 5/8" IJ-55 | 28# | 0 | 2,666 | | 650 | | 0 | |
| 7 7/8" | 4 1/2" I-80 | 11.6# | 0 | 9,458 | | 1,623 | | 1406 | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

25. TUBING RECORD

| SIZE | DEPTH SET (MD) | PACKER SET (MD) | SIZE | DEPTH SET (MD) | PACKER SET (MD) | SIZE | DEPTH SET (MD) | PACKER SET (MD) |
|--------|----------------|-----------------|------|----------------|-----------------|------|----------------|-----------------|
| 2 3/8" | 8,788 | | | | | | | |

26. PRODUCING INTERVALS

| FORMATION NAME | TOP (MD) | BOTTOM (MD) | TOP (TVD) | BOTTOM (TVD) | INTERVAL (Top/Bot - MD) | SIZE | NO. HOLES | PERFORATION STATUS |
|----------------|----------|-------------|-----------|--------------|-------------------------|------|-----------|--|
| (A) WASATCH | 6,198 | 7,237 | | | 6,198 7,237 | 0.36 | 66 | Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/> |
| (B) MESAVERDE | 7,330 | 9,287 | | | 7,330 9,287 | 0.36 | 162 | Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/> |
| (C) | | | | | | | | Open <input type="checkbox"/> Squeezed <input type="checkbox"/> |
| (D) | | | | | | | | Open <input type="checkbox"/> Squeezed <input type="checkbox"/> |

27. PERFORATION RECORD

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

| DEPTH INTERVAL | AMOUNT AND TYPE OF MATERIAL |
|----------------|--|
| 6198-9287 | PUMP 9913 BBLs SLICK H2O & 222,266 LBS 30/50 OTTAWA SAND |
| | 10 STAGES |

29. ENCLOSED ATTACHMENTS:

- | | | | |
|---|--|---------------------------------------|--|
| <input type="checkbox"/> ELECTRICAL/MECHANICAL LOGS | <input type="checkbox"/> GEOLOGIC REPORT | <input type="checkbox"/> DST REPORT | <input checked="" type="checkbox"/> DIRECTIONAL SURVEY |
| <input type="checkbox"/> SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION | <input type="checkbox"/> CORE ANALYSIS | <input type="checkbox"/> OTHER: _____ | |

30. WELL STATUS:

PROD

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

| | | | | | | | | | | |
|----------------------------------|----------------------|------------------------|-------------|---------------------|---------------|------------------------------|-----------------|---------------------|-------------------|--------------------------|
| DATE FIRST PRODUCED: 2/1/2013 | | TEST DATE: 2/2/2013 | | HOURS TESTED: 24 | | TEST PRODUCTION RATES: → | OIL – BBL: 0 | GAS – MCF: 2,208 | WATER – BBL: 0 | PROD. METHOD: FLOWING |
| CHOKE SIZE: 20/64 | TBG. PRESS. 1,707 | CSG. PRESS. 2,322 | API GRAVITY | BTU – GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL – BBL: 0 | GAS – MCF: 2,208 | WATER – BBL: 0 | INTERVAL STATUS: PROD |

INTERVAL B (As shown in item #26)

| | | | | | | | | | | |
|----------------------|-------------|-------------|-------------|---------------|---------------|---------------------------|------------|------------|--------------|------------------|
| DATE FIRST PRODUCED: | | TEST DATE: | | HOURS TESTED: | | TEST PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU – GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | INTERVAL STATUS: |

INTERVAL C (As shown in item #26)

| | | | | | | | | | | |
|----------------------|-------------|-------------|-------------|---------------|---------------|---------------------------|------------|------------|--------------|------------------|
| DATE FIRST PRODUCED: | | TEST DATE: | | HOURS TESTED: | | TEST PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU – GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | INTERVAL STATUS: |

INTERVAL D (As shown in item #26)

| | | | | | | | | | | |
|----------------------|-------------|-------------|-------------|---------------|---------------|---------------------------|------------|------------|--------------|------------------|
| DATE FIRST PRODUCED: | | TEST DATE: | | HOURS TESTED: | | TEST PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU – GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | INTERVAL STATUS: |

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

SOLD

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

| Formation | Top (MD) | Bottom (MD) | Descriptions, Contents, etc. | Name | Top (Measured Depth) |
|-----------|-------------|----------------|------------------------------|-------------|-------------------------|
| | | | | GREEN RIVER | 1,333 |
| | | | | BIRD'S NEST | 1,654 |
| | | | | MAHOGANY | 2,131 |
| | | | | WASATCH | 4,669 |
| | | | | MESAVERDE | 7,317 |

35. ADDITIONAL REMARKS (Include plugging procedure)

The first 210' of the surface hole was drilled with a 12 1/4" bit. The remainder of surface hole was drilled with an 11" bit. DQX csg was run from surface to 5021'; LTC csg was run from 5021' to 9458'. Attached is the chronological well history, perforation report & final survey.

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) LINDSEY FRAZIER

TITLE REGULATORY ANALYST

SIGNATURE

DATE 2-25-2013

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation

- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

US ROCKIES REGION
Operation Summary Report

Well: MORGAN STATE 921-361BS BLUE

Spud Date: 8/5/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-361 PAD

Rig Name No: H&P 318/318, PROPETRO 11/11

Event: DRILLING

Start Date: 7/19/2012

End Date: 10/4/2012

Active Datum: RKB @5,059.00usft (above Mean Sea Level)

UWI: NE/SE/0/9/S/21/E/36/0/0/26/PM/S/2096/E/0/729/0/0

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation |
|----------|-------------------|------------------|--------|------|-------------|-----|-------------------|---|
| 8/5/2012 | 8:00 - 9:30 | 1.50 | MIRU | 01 | B | P | | M.S. 921-361BS (WELL 2 OF 4) INSTALL DIVERTOR HEAD AND BLUEY LINE. RIG UP NOV. SPOT IN RIG. SPOT IN CATWALK AND PIPE RACKS. RIG UP PUMP. PRIME PUMP. INSPECT RIG. SAFETY MEETING |
| | 9:30 - 10:00 | 0.50 | DRLSUR | 06 | A | P | | PICK UP #1 BHA |
| | 10:00 - 11:30 | 1.50 | DRLSUR | 02 | D | P | | DRL F/44' - T/210' (166' @ 166' ROP) W.O.B 5-15K RPM 45 POWERHEAD 67 MUD MOTOR UP/DWN/ROT 22/20/20 2K DRAG PSI ON/OFF 600/400 M.W. 8.5# VIS 27 397 GPM PUMP RATE / NO AIR NOV-ONLINE |
| | 11:30 - 13:00 | 1.50 | DRLSUR | 06 | A | P | | TOOH WITH #1 BHA / TIH WITH #2 BHA |
| | 13:00 - 0:00 | 11.00 | DRLSUR | 02 | D | P | | DRL F/210' - T/1580' (1370' @ 124.5' ROP) W.O.B. 18 - 20K RPM 45 POWERHEAD 67 MUD MOTOR UP/DWN/ROT 73/53/61 12K DRAG PSI ON/OFF 1430/1200 M.W. 8.5# VIS 27 397 GPM PUMP RATE / NO AIR NOV-ONLINE .30' HIGH AND 5' RIGHT OF TARGET 253' / 16.5% SLIDE |
| 8/6/2012 | 0:00 - 4:00 | 4.00 | DRLSUR | 02 | D | P | | DRL F/1580' - T/1970' (390' @ 97.5' ROP) W.O.B. 18 - 20K RPM 45 POWERHEAD 67 MUD MOTOR UP/DWN/ROT 83/61/76 7K DRAG PSI ON/OFF 850/700 M.W. 8.5# VIS 27 397 GPM PUMP RATE / 2420 CFM AIR TORQUE ON/OFF 3000/1500 NOV-ONLINE 4.5' HIGH 2.5' RIGHT OF LINE SLID 310' / 15.5% |
| | 4:00 - 8:00 | 4.00 | DRLSUR | 02 | D | P | | DRL F/1970' - T/2270' (300' @ 75' ROP) |
| | 8:00 - 9:30 | 1.50 | DRLSUR | 08 | B | Z | | ***CHANGE OUT LINER & SWAB ON MUD PUMP |
| | 9:30 - 12:00 | 2.50 | DRLSUR | 02 | D | P | | DRL F/2270" - T/2400' (130' @ 52' ROP) W.O.B. 18 - 20K RPM 45 POWERHEAD 67 MUD MOTOR UP/DWN/ROT 89/68/74 15K DRAG PSI ON/OFF 1340/1150 M.W. 8.5# VIS 27 397 GPM PUMP RATE / 2420 CFM AIR RATE TORQUE ON/OFF 3000/1500 NOV-ONLINE 1' LOW 1' RIGHT OF LINE SLID 409' / 16.64% |

US ROCKIES REGION
Operation Summary Report

Well: MORGAN STATE 921-361BS BLUE

Spud Date: 8/5/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-361 PAD

Rig Name No: H&P 318/318, PROPETRO 11/11

Event: DRILLING

Start Date: 7/19/2012

End Date: 10/4/2012

Active Datum: RKB @5,059.00usft (above Mean Sea Level)

UWI: NE/SE/0/9/S/21/E/36/0/0/26/PM/S/2096/E/0/729/0/0

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation |
|-----------|-------------------|------------------|--------|------|-------------|-----|-------------------|---|
| | 12:00 - 14:30 | 2.50 | DRLSUR | 02 | D | P | | DRL F/2400' - T/2676' (276'@ 110.4' ROP) W.O.B. 18 - 20K RPM 45 POWERHEAD 67 MUD MOTOR UP/DWN ROT 92/70/80 12K DRAG PSI ON/OFF 1400/1180 M.W. 8.5# VIS 27 397 GPM PUMP RATE / 2420 CFM AIR RATE TORQUE ON/OFF 3000/1500 NOV-ONLINE 2' LOW 1' LEFT OF LINE SLID 429' / 16.2% |
| | 14:30 - 16:30 | 2.00 | DRLSUR | 05 | C | P | | CIRCULATE FOR CASING |
| | 16:30 - 19:30 | 3.00 | DRLSUR | 06 | A | P | | LDDS,BHA & DIRECTIONAL TOOLS |
| | 19:30 - 20:30 | 1.00 | DRLSUR | 12 | A | P | | MOVE PIPE RACKS AND CATWALK. PULL DIVERTER HEAD. RIG UP TO RUN CSG. MOVE CSG INTO POSITION TO P/U. |
| | 20:30 - 22:30 | 2.00 | DRLSUR | 12 | C | P | | TIH 60 JOINTS 8 5/8", 28#, J55 CASING SHOE IS AT 2641.7' BAFFLE IS AT 2570.7' |
| | 22:30 - 23:00 | 0.50 | DRLSUR | 12 | B | P | | HOLD SAFETY MEETING PUMP ON CASING RUN 200' OF 1". RIG DOWN RIG MOVE OFF WELL, RIG UP CEMENT TRUCKS, AND CEMENT HEAD. |
| | 23:00 - 0:00 | 1.00 | CSGSUR | 12 | E | P | | MAKE UP HEAD AND LOAD PLUG. PRESSURE TEST LINES TO 2000PSI. PUMP 150BBLS AHEAD 8.4# H2O. PUMP 20BBLS 8.4# GEL H2O AHEAD, PUMP 300 SXS (61.4BBLS) 15.8# 1.15 YIELD TAIL (2% CALC, 1/4#/SK OF FLOCECE) DROP PLUG ON THE FLY AND DISPLACE WITH 162.4BBLS OF 8.4# H2O. FINAL LIFT PRESSURE WAS 300PSI, BUMP PRESSURE WAS 550PSI HELD FOR 5 MINS. FLOAT HELD. NO RETURNS THRU OUT JOB. PUMP 125 SK 15.8 (25.6BBLS) CEMENT, W/4% CALCIUM DOWN 1". NO CEMENT TO SURFACE. |
| 8/7/2012 | 0:00 - 2:00 | 2.00 | CSGSUR | 13 | A | P | | WOC PUMP 100SXS (20.4 BBLs) CEMENT DOWN BACKSIDE. (NO CMT TO SURFACE). |
| | 0:00 - 0:30 | 0.50 | CSGSUR | 13 | A | P | | WOC PUMP 150SXS (30.7 BBLs) CEMENT DOWN BACKSIDE. (NO CMT TO SURFACE). |
| | 2:00 - 3:30 | 1.50 | CSGSUR | 13 | A | P | | WOC PUMP 125SXS (25.6 BBLs) CEMENT DOWN BACKSIDE. (NO CMT TO SURFACE). |
| | 3:30 - 5:00 | 1.50 | CSGSUR | 13 | A | P | | WOC PUMP 100SXS (20.4 BBLs) CEMENT DOWN BACKSIDE. (NO CMT TO SURFACE). |
| | 5:00 - 5:00 | 0.00 | CSGSUR | 13 | A | P | | WOC PUMP 100SXS (20.4 BBLs) CEMENT DOWN BACKSIDE. (CMT TO SURFACE). |
| | | | | | | | | RELEASED RIG @ 05:00 |
| 9/26/2012 | 14:00 - 14:30 | 0.50 | MIRU3 | 01 | E | P | | PREPARE RIG F/ SKID |
| | 14:30 - 15:00 | 0.50 | MIRU3 | 01 | C | P | | SKID RIG & CENTER ON HOLE |
| | 15:00 - 16:00 | 1.00 | MIRU3 | 14 | A | P | | NIPPLE UP BOP & EQUIPMENT |
| | 16:00 - 16:30 | 0.50 | PRPSPD | 07 | A | P | | RIG SERVICE |

US ROCKIES REGION
Operation Summary Report

Well: MORGAN STATE 921-361BS BLUE

Spud Date: 8/5/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-361 PAD

Rig Name No: H&P 318/318, PROPETRO 11/11

Event: DRILLING

Start Date: 7/19/2012

End Date: 10/4/2012

Active Datum: RKB @5,059.00usft (above Mean Sea Level)

UWI: NE/SE/0/9/S/21/E/36/0/0/26/PM/S/2096/E/0/729/0/0

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation |
|-----------|----------------|---------------|--------|------|----------|-----|----------------|---|
| 9/27/2012 | 16:30 - 22:30 | 6.00 | PRSPD | 15 | A | P | | SAFETY MEETING W/ A-1 TESTING , RIG UP & TEST BOP , IBOP, LOWER KELLY VALVE, FLOOR VALVE, PIPE RAMS, BLIND RAMS, HCR, WING VALVES CHOKE MANIFOLD ,CHECK VALVE LOW 250 HIGH 5,000 PSI ANN LOW 250 PSI HIGH 2500 PSI CASING 1500 FOR 30 MINS, TEST NOV SWACO CHOKE LINES & ORBIT VALVE TO 1,000 PSI OK, RIG DOWN TESTER |
| | 22:30 - 23:00 | 0.50 | PRSPD | 14 | B | P | | INSTALL WEAR BUSHING |
| | 23:00 - 0:00 | 1.00 | PRSPD | 06 | A | P | | PICKUP SECURITY FX65D BIT, SDI .23 GPR/ 1.5 BEND MOTOR, MWD |
| | 0:00 - 2:00 | 2.00 | PRSPD | 06 | A | P | | ORIENT MDW & TRIP IN HOLE, TAG CEMENT @ 2571' |
| | 2:00 - 3:00 | 1.00 | DRLPRC | 02 | B | P | | DRILL CEMENT & FLOAT EQUIP F/ 2571' TO 2696' , SPUD @ 02:00 9/27/2012 |
| | 3:00 - 6:00 | 3.00 | DRLPRC | 02 | B | P | | DRILL F/ 2696' TO 3077' ,.381' @ 127' HR WEIGHT ON BIT: 18 ROTATIONS PER MINUTE: 41 STROKES PER MINUTE: 120 GALLONS PER MINUTE: 540 ON/OFF PSI: 1800/1350 PICKUP/SLACK OFF/ROTATE: 105/82/94 BIT POSTION @ 3037' 3.4' N , .7' W MUD WEIGHT 8.7 , VISCOSITY 27 ROTATE:337' IN 2.41 HRS= 139.8' HR SLIDE: 44' IN .59 HRS = 74.5' HR NOV: DEWATERING |
| | 6:00 - 14:00 | 8.00 | DRLPRC | 02 | B | P | | DRILL F/ 3077' TO 4240' , 1163' @ 145.3' HR WEIGHT ON BIT: 18/20 ROTATIONS PER MINUTE: 40/50 STROKES PER MINUTE: 120 GALLONS PER MINUTE: 540 ON/OFF PSI: 2100/1470 PICKUP/SLACK OFF/ROTATE: 134/105/120 MUD WEIGHT 8.7 , VISCOSITY 27 ROTATE: 1095' IN 6.34 HR = 172.3' HR SLIDE: 68' IN 1.66 HRS = 40.9' HR NOV: DEWATERING |
| | 14:00 - 14:30 | 0.50 | DRLPRC | 22 | L | Z | | *** TROUBLE SHOOT MWD SIGNAL*** SURFACE ISSUES |
| | 14:30 - 15:30 | 1.00 | DRLPRC | 02 | B | P | | DRILL F/ 4240' TO 4430' , 190' @ 190' HR WEIGHT ON BIT: 18/20 ROTATIONS PER MINUTE: 48 STROKES PER MINUTE: 120 GALLONS PER MINUTE: 540 ON/OFF PSI: 2070/1450 PICKUP/SLACK OFF/ROTATE: 134/105/12 MUD WEIGHT 8.7 , VISCOSITY 27 ROTATE:177' IN .67 HRS = 264.1' HR SLIDE: 13' IN .33 HRS = 39.3' HR NOV: DEWATERING |
| | 15:30 - 16:00 | 0.50 | DRLPRC | 22 | L | Z | | *** TROUBLE SHOOT MDW SIGNAL*** SURFACE ISSUES |

US ROCKIES REGION
Operation Summary Report

Well: MORGAN STATE 921-361BS BLUE

Spud Date: 8/5/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-361 PAD

Rig Name No: H&P 318/318, PROPETRO 11/11

Event: DRILLING

Start Date: 7/19/2012

End Date: 10/4/2012

Active Datum: RKB @5,059.00usft (above Mean Sea Level)

UWI: NE/SE/0/9/S/21/E/36/0/0/26/PM/S/2096/E/0/729/0/0

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation |
|-----------|-------------------|------------------|--------|------|-------------|-----|-------------------|--|
| | 16:00 - 16:30 | 0.50 | DRLPRC | 02 | B | P | | DRILL F/ 4430' TO 4523' , 93' @ 186' HR WEIGHT ON BIT: 18/20 ROTATIONS PER MINUTE: 50 STROKES PER MINUTE: 120 GALLONS PER MINUTE: 540 ON/OFF PSI: 2100/1450 PICKUP/SLACK OFF/ROTATE: 135/106/13 MUD WEIGHT 8.7 , VISCOSITY 27 ROTATE: SLIDE: NOV: DEWATERING |
| | 16:30 - 17:00 | 0.50 | DRLPRC | 22 | L | Z | | *** TROUBLE SHOOT MWD SIGNAL*** SURFACE ISSUES , RUNNING NEW GROUND WIRES |
| | 17:00 - 17:30 | 0.50 | DRLPRC | 07 | A | P | | RIG SERVICE & (TROUBLE SHOOT MWD SIGNAL) RUNNING NEW GROUND WIRES, CHANGING OUT COMPUTERS |
| | 17:30 - 18:30 | 1.00 | DRLPRC | 22 | L | Z | | *** TROUBLE SHOOTING MWD SIGNAL*** SURFACE ISSUES, CHANGE OUT COMPUTER & TALK DOWN BOX, REPROGRAM COMPUTER |
| | 18:30 - 0:00 | 5.50 | DRLPRC | 02 | B | P | | DRILL F/ 4523' TO 5245' , 722' @ 131.7' HR WEIGHT ON BIT: 22/25 ROTATIONS PER MINUTE: 40/50 STROKES PER MINUTE: 120 GALLONS PER MINUTE: 540 ON/OFF PSI: 2420/1850 PICKUP/SLACK OFF/ROTATE: 156/105/126 MUD WEIGHT 8.7 , VISCOSITY 27 ROTATE: 689' IN 4.42 HRS = 155.8' HR SLIDE: 33' IN 1.08 HRS - 30.5' HR NOV: DEWATERING |
| 9/28/2012 | 0:00 - 3:00 | 3.00 | DRLPRV | 02 | B | P | | DRILL F/ 5245' TO 5655' , 410' @ 136.6' HR WEIGHT ON BIT: 22/25 ROTATIONS PER MINUTE: 40/50 STROKES PER MINUTE: 120 GALLONS PER MINUTE: 540 ON/OFF PSI: 2420/1850 PICKUP/SLACK OFF/ROTATE: 156/105/126 MUD WEIGHT 8.9 , VISCOSITY 27 BIT POSITION @ 5657' 16.4' N , 7.7' W ROTATE: 398' IN 2.75 HRS = 144.7' HR SLIDE: 12' IN .25 HRS = 48' HR NOV: DEWATERING LOST 60 BBLs TO SEEPAGE , PUMPING LCM SWEEPS |
| | 3:00 - 3:30 | 0.50 | DRLPRV | 22 | G | X | | *** LOST CIRC *** (BREIFLY) PUMPED 80 BBL LCM SWEEP, LOST 85 BBLs |

US ROCKIES REGION
Operation Summary Report

Well: MORGAN STATE 921-361BS BLUE

Spud Date: 8/5/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-361 PAD

Rig Name No: H&P 318/318, PROPETRO 11/11

Event: DRILLING

Start Date: 7/19/2012

End Date: 10/4/2012

Active Datum: RKB @5,059.00usft (above Mean Sea Level)

UWI: NE/SE/0/9/S/21/E/36/0/0/26/PM/S/2096/E/0/729/0/0

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation |
|-----------|-------------------|------------------|--------|------|-------------|-----|-------------------|--|
| | 3:30 - 11:00 | 7.50 | DRLPRV | 02 | B | P | | DRILL F/ 5655' TO 6148' , 493' @ 65.7' HR WEIGHT ON BIT: 22/25 ROTATIONS PER MINUTE: 40/50 STROKES PER MINUTE: 120 GALLONS PER MINUTE: 540 ON/OFF PSI: 2350/1850 PICKUP/SLACK OFF/ROTATE: 182/120/144 MUD WEIGHT 8.7 , VISCOSITY 27 ROTATE: 493' IN 7.5 HRS = 65.7' HR SLIDE: 0 NOV: DEWATERING LOST 100 BBLS TO SEEPAGE , PUMPING LCM SWEEPS |
| | 11:00 - 11:30 | 0.50 | DRLPRV | 22 | L | Z | | *** TROUBLE SHOOT MWD SIGNAL *** |
| | 11:30 - 17:00 | 5.50 | DRLPRV | 02 | B | P | | DRILL F/ 6148' TO 6791' , 643' @ 116.9' HR WEIGHT ON BIT: 22/25 ROTATIONS PER MINUTE: 45/50 STROKES PER MINUTE: 120 GALLONS PER MINUTE: 540 ON/OFF PSI: 2200/ 1800 PICKUP/SLACK OFF/ROTATE: 193/130/156 MUD WEIGHT 8.6 , VISCOSITY 27 ROTATE: 630' IN 4.33 HRS = 145.4' HR SLIDE: 13' IN 1.17 HRS = 11.1' HR NOV: DEWATERING LOST 60 BBLS TO SEEPAGE, PUMPING LCM SWEEPS |
| | 17:00 - 17:30 | 0.50 | DRLPRV | 07 | A | P | | RIG SERVICE |
| | 17:30 - 18:30 | 1.00 | DRLPRV | 02 | B | P | | DRILL F/ 6791' TO 6888' , 97' @ 97' HR WEIGHT ON BIT: 22/25 ROTATIONS PER MINUTE: 47 STROKES PER MINUTE: 120 GALLONS PER MINUTE: 540 ON/OFF PSI:2200/1800 PICKUP/SLACK OFF/ROTATE: 195/130/156 MUD WEIGHT 8.7 , VISCOSITY 27 ROTATE: SLIDE: NOV: DEWATERING |
| | 18:30 - 19:30 | 1.00 | DRLPRV | 22 | L | Z | | *** MWD FAILURE *** TROUBLE SHOOT MWD , HAD GOOD SIGNAL BUT TOOL WOULD NOT SYNC UP |
| | 19:30 - 20:00 | 0.50 | DRLPRV | 05 | C | Z | | *** MWD FAILURE*** TRANSFER 60 BBLS HEAVY MUD TO PILL TANK ,CONDITION AND SPOT 60 BBL 10.5# PILL ON BOTTOM |
| | 20:00 - 0:00 | 4.00 | DRLPRV | 06 | H | Z | | *** MWD FAILURE *** TRIP OUT OF HOLE @ 1000' |
| 9/29/2012 | 0:00 - 1:30 | 1.50 | DRLPRV | 06 | H | Z | | *** MWD FAILURE *** FINISH TRIP OUT OF HOLE, CHANGE GAP SUB & MWD TOOL, CHECK MOTOR & BIT "OK" |
| | 1:30 - 4:00 | 2.50 | DRLPRV | 06 | H | Z | | *** MWD FAILURE *** TRIP IN HOLE , TAG @ 5465' |
| | 4:00 - 7:00 | 3.00 | DRLPRV | 03 | A | Z | | *** MWD FAILURE *** WASH & REAM F/ 5465' TO 6888' |

US ROCKIES REGION
Operation Summary Report

Well: MORGAN STATE 921-361BS BLUE

Spud Date: 8/5/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-361 PAD

Rig Name No: H&P 318/318, PROPETRO 11/11

Event: DRILLING

Start Date: 7/19/2012

End Date: 10/4/2012

Active Datum: RKB @5,059.00usft (above Mean Sea Level)

UWI: NE/SE/0/9/S/21/E/36/0/0/26/PM/S/2096/E/0/729/0/0

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation |
|------|-------------------|------------------|--------|------|-------------|-----|-------------------|---|
| | 7:00 - 12:00 | 5.00 | DRLPRV | 02 | B | P | | DRILL F/ 6888' TO 7192' , 304' @ 60.8' HR WEIGHT ON BIT: 22/25 ROTATIONS PER MINUTE: 45/55 STROKES PER MINUTE: 120 GALLONS PER MINUTE: 540 ON/OFF PSI:2200/1800 PICKUP/SLACK OFF/ROTATE: 193/134/159 MUD WEIGHT 8.7 , VISCOSITY 27 ROTATE: 279' @ 3.58 HRS = 77.9' HR SLIDE: 25' IN 1.42 HRS = 17.6' HR NOV: DEWATERING LOST 200 BBLS , HOLE SEEPING APPROX 40 BBLS/HR, PUMPING LCM SWEEPS |
| | 12:00 - 13:30 | 1.50 | DRLPRV | 22 | G | X | | *** LOST CIRC *** PUMP 2- 80 BBL 50 VIS LCM SWEEPS , REGAINED CIRCULATION, WORK TIGHT HOLE ,REAM TO BOTTOM, LOST CIRCULATION AGAIN LOST 300 BBLS |
| | 13:30 - 16:00 | 2.50 | DRLPRV | 22 | G | X | | ***LOST CIRC*** BACK REAM OUT 10 STANDS F/ 7192' TO 6222' , TIGHT F/ 7192' TO 6504' LOST 200 BBLS |
| | 16:00 - 17:00 | 1.00 | DRLPRV | 22 | G | X | | ***LOST CIRC*** CIRCULATE , BUILD VOLUME, PUMP 45 BBL LCM SWEEP @ 60 STROKES PER MINUTE, REGAINED CIRCULATION, LOST 100 BBLS |
| | 17:00 - 17:30 | 0.50 | DRLPRV | 22 | G | X | | ***LOST CIRC*** WASH & REAM 5 STANDS F/ 6222' TO 6775' |
| | 17:30 - 18:00 | 0.50 | DRLPRV | 22 | G | X | | ***LOST CIRC***PUMP 20 BBL 50 VIS SWEEP & CIRC BOTTOMS UP |
| | 18:00 - 19:30 | 1.50 | DRLPRV | 22 | G | X | | ***LOST CIRC*** WASH & REAM F/ 6775' TO 7180' LOST CIRC AGAIN |
| | 19:30 - 21:00 | 1.50 | DRLPRV | 22 | G | X | | ***LOST CIRC***BY PASS SHAKERS AS INSTRUCTED BY MR GATHINGS, BUILD VOLUME RAISE LCM CONTENT TO 20%, PUMP 2-80 BBL 50 VIS 20% LCM SWEEPS REGAINED CIRCULATION LOST 250 BBLS |
| | 21:00 - 0:00 | 3.00 | DRLPRV | 02 | B | P | | DRILL F/ 7192' TO 7295' , 103' @ 34.3' HR WEIGHT ON BIT: 22/25 ROTATIONS PER MINUTE: 45/55 STROKES PER MINUTE: 110 GALLONS PER MINUTE: 495 ON/OFF PSI: 1900/1700 PICKUP/SLACK OFF/ROTATE: 193/145/165 MUD WEIGHT 8.8 , VISCOSITY 36 , LCM 20% ROTATE: 103' IN 3 HRS = 33.4' HR SLIDE: 0 NOV: RUNNING CONVENTIONAL LOST 100 BBLS TO SEEPAGE APPROX 33 BBLS PER HR NOTE: TOTCO WAS DOWN F/ 21:15 TO 23:54 DUE TO GENERATOR GOING DOWN |

US ROCKIES REGION
Operation Summary Report

Well: MORGAN STATE 921-361BS BLUE

Spud Date: 8/5/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-361 PAD

Rig Name No: H&P 318/318, PROPETRO 11/11

Event: DRILLING

Start Date: 7/19/2012

End Date: 10/4/2012

Active Datum: RKB @5,059.00usft (above Mean Sea Level)

UWI: NE/SE/0/9/S/21/E/36/0/0/26/PM/S/2096/E/0/729/0/0

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation |
|-----------|-------------------|------------------|--------|------|-------------|-----|-------------------|--|
| 9/30/2012 | 0:00 - 6:00 | 6.00 | DRLPRV | 02 | B | P | | DRILL F/ 7295' TO 7550' , 255' @ 42.5' HR WEIGHT ON BIT: 22/25 TORQUE ON/OFF 9/7 ROTATIONS PER MINUTE: 45/50 STROKES PER MINUTE: 110 GALLONS PER MINUTE: 495 ON/OFF PSI: 1900/1700 PICKUP/SLACK OFF/ROTATE: 193/145/165 MUD WEIGHT 8.8 , VISCOSITY 36 , LCM 20% ROTATE: 244' IN 5.42' = 45' HR SLIDE: 11' IN .58 HRS = 18.9' HR NOV: RUNNING CONVENTIONAL LOSSES 180 BBLS TO SEEPAGE. APPROX 30 BBLS /HR |
| | 6:00 - 10:00 | 4.00 | DRLPRV | 02 | B | P | | DRILL F/ 7550' TO 7772' , 222' @ 55.5' HR WEIGHT ON BIT: 22/25 TORQUE ON/OFF 10/8 ROTATIONS PER MINUTE: 45/52 STROKES PER MINUTE: 110 GALLONS PER MINUTE: 495 ON/OFF PSI: 2000/1800 PICKUP/SLACK OFF/ROTATE: 200/148/172 MUD WEIGHT 8.8 , VISCOSITY 36 , LCM 20% ROTATE: 222' IN 4 HRS = 55.5' HR SLIDE: 0 NOV: RUNNING CONVENTIONAL LOSSES 50 BBLS TO SEEPAGE , APPROX 12.5 BBLS / HR |
| | 10:00 - 10:30 | 0.50 | DRLPRV | 07 | A | P | | RIG SERVICE |
| | 10:30 - 17:00 | 6.50 | DRLPRV | 02 | B | P | | DRILL F/ 7772' TO 8111' , 339' @ 52.1' HR WEIGHT ON BIT: 25/28 TORQUE ON/OFF 12/8 ROTATIONS PER MINUTE: 50/55 STROKES PER MINUTE: 110 GALLONS PER MINUTE: 495 ON/OFF PSI: 2200/1700 PICKUP/SLACK OFF/ROTATE: 206/161/175 MUD WEIGHT 8.8 , VISCOSITY 37 , LCM 20% ROTATE: 327' IN 5.67' HR = 57.6' HR SLIDE: 12' IN .83 HRS = 14.4' HR NOV: RUNNING CONVENTIONAL LOSSES 50 BBLS TO SEEPAGE, APPROX 8 BBLS /HR |
| | 17:00 - 18:00 | 1.00 | DRLPRV | 22 | L | Z | | ***MWD FAILURE*** TROULE SHOOT MWD ELECTRONICS |

US ROCKIES REGION
Operation Summary Report

Well: MORGAN STATE 921-361BS BLUE

Spud Date: 8/5/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-361 PAD

Rig Name No: H&P 318/318, PROPETRO 11/11

Event: DRILLING

Start Date: 7/19/2012

End Date: 10/4/2012

Active Datum: RKB @5,059.00usft (above Mean Sea Level)

UWI: NE/SE/0/9/S/21/E/36/0/0/26/PM/S/2096/E/0/729/0/0

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation |
|-----------|-------------------|------------------|--------|------|-------------|-----|-------------------|--|
| | 18:00 - 0:00 | 6.00 | DRLPRV | | | | | DRILL F/ 8111' TO 8367' , 256' @ 42.6' HR WEIGHT ON BIT: 25/28 TORQUE ON/OFF 13/10 ROTATIONS PER MINUTE: 50/58 STROKES PER MINUTE: 110 GALLONS PER MINUTE: 495 ON/OFF PSI: 2200/1750 PICKUP/SLACK OFF/ROTATE: 210/160/180 MUD WEIGHT 8.8 , VISCOSITY 35 , LCM 20% ROTATE: 244' IN 5 HRS = 48.8' HR SLIDE: 12' IN 1 HR = 12' HR NOV: RUNNING CONVENTIONAL LOSSES 54 BBLS, APPROX 9 BBLS /HR |
| 10/1/2012 | 0:00 - 7:00 | 7.00 | DRLPRV | 02 | B | P | | DRILL F/ 8367' TO 8637' , 270' @ 38.5' HR WEIGHT ON BIT: 25/28 TORQUE ON/OFF 13/10 ROTATIONS PER MINUTE: 50/58 STROKES PER MINUTE: 110 GALLONS PER MINUTE: 495 ON/OFF PSI: 2200/1750 PICKUP/SLACK OFF/ROTATE: 210/160/180 MUD WEIGHT 8.8 , VISCOSITY 35 , LCM 20% ROTATE: 270' IN 7 HRS = 38.5' HR SLIDE:0 NOV: RUNNING CONVENTIONAL LOSSES |
| | 7:00 - 8:30 | 1.50 | DRLPRV | 05 | C | P | | MOTOR SPIKING 900 PSI TO 1180 PSI CIRCULATE & CONDITION, RAISE MUD WT TO 10.8, VIS 41, LCM 24% |
| | 8:30 - 13:00 | 4.50 | DRLPRV | 06 | A | P | | TRIP OUT OF HOLE, TO 400' WELL FLOWING |
| | 13:00 - 13:30 | 0.50 | DRLPRV | 06 | A | X | | *** WELL FLOWING***TRIP IN HOLE TO 1500' |
| | 13:30 - 15:00 | 1.50 | DRLPRV | 05 | B | X | | *** WELL FLOWING***BUILD & SPOT 70 BBL 12.2 PILL, WELL STILL FLOWING |
| | 15:00 - 16:30 | 1.50 | DRLPRV | 06 | A | X | | ***WELL FLOWING***TRIP IN HOLE TO 4000' |
| | 16:30 - 17:00 | 0.50 | DRLPRV | 05 | A | X | | ***WELL FLOWING***CIRC OUT GAS 30' FLARE |
| | 17:00 - 17:30 | 0.50 | DRLPRV | 06 | A | X | | ***WELL FLOWING***TRIP IN HOLE TO 5870' |
| | 17:30 - 18:00 | 0.50 | DRLPRV | 05 | A | X | | ***WELL FLOWING***CIRC OUT GAS 35' FLARE |
| | 18:00 - 19:00 | 1.00 | DRLPRV | 06 | A | X | | ***WELL FLOWING*** TRIP IN HOLE TO BOTTOM |
| | 19:00 - 21:00 | 2.00 | DRLPRV | 05 | B | X | | ***WELL FLOWING*** CIRCULATE & CONDITION , RAISE MUD WT TO 11.6#, SPOT 40 BBL 12.2# ON BOTTOM |
| | 21:00 - 0:00 | 3.00 | DRLPRV | 06 | A | P | | TRIP OUT OF HOLE @ 4000' |
| 10/2/2012 | 0:00 - 2:30 | 2.50 | DRLPRV | 06 | A | P | | TRIP OUT OF HOLE, LAY DOWN MOTOR & BIT |
| | 2:30 - 7:30 | 5.00 | DRLPRV | 06 | A | P | | PICK UP NEW SMITH MDI 616 BIT , SDI .23 RPG/ 1.5 MOTOR , ORIENT MWD, TRIP IN HOLE, TO 6000' BREAKING CIRCULATION @ 2900' , 4250' , TAG & WASH TROUGHT TIGHT SPOT @ 4600' TO 4800' |
| | 7:30 - 8:00 | 0.50 | DRLPRV | 05 | A | P | | CIRC OUT GAS , 25' FLARE |
| | 8:00 - 10:00 | 2.00 | DRLPRV | 06 | A | P | | TRIP IN HOLE, WASH F/ 8483' TO 8637' |

US ROCKIES REGION
Operation Summary Report

Well: MORGAN STATE 921-361BS BLUE

Spud Date: 8/5/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-361 PAD

Rig Name No: H&P 318/318, PROPETRO 11/11

Event: DRILLING

Start Date: 7/19/2012

End Date: 10/4/2012

Active Datum: RKB @5,059.00usft (above Mean Sea Level)

UWI: NE/SE/0/9/S/21/E/36/0/0/26/PM/S/2096/E/0/729/0/0

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation |
|-----------|-------------------|------------------|--------|------|-------------|-----|-------------------|--|
| 10/3/2012 | 10:00 - 16:00 | 6.00 | DRLPRV | 02 | B | P | | DRILL F/ 8637' TO 9055' , 418' @ 69.6' HR WEIGHT ON BIT: 22/26 TORQUE ON/OFF 13/10 ROTATIONS PER MINUTE: 45/55 STROKES PER MINUTE: 110 GALLONS PER MINUTE: 495 ON/OFF PSI: PICKUP/SLACK OFF/ROTATE: MUD WEIGHT 12 , VISCOSITY 42 , LCM 18% ROTATE: 418' IN 6 HR = 69.6' HR SLIDE:0 NOV: SHUT DOWN RIG SERVICE |
| | 16:00 - 16:30 | 0.50 | DRLPRV | 07 | A | P | | |
| | 16:30 - 23:30 | 7.00 | DRLPRV | 02 | B | P | | DRILL F/ 9055' TO 9468' TD @ 23:30 10/2/2012 , 413' @ 59' HR WEIGHT ON BIT: 22/26 TORQUE ON/OFF 15/10 ROTATIONS PER MINUTE: 45/50 STROKES PER MINUTE: 110 GALLONS PER MINUTE: 495 ON/OFF PSI: 3200/2600 PICKUP/SLACK OFF/ROTATE 232/155/184 MUD WEIGHT 12 , VISCOSITY 41 , LCM 18% ROTATE: 413' IN 7 HRS = 59' HR SLIDE:0 NOV: SHUT DOWN |
| | 23:30 - 0:00 | 0.50 | DRLPRV | 05 | A | P | | CIRCULATE & CONDITION F/ SHORT TRIP |
| | 0:00 - 1:30 | 1.50 | DRLPRV | 05 | A | P | | CIRCULATE & CONDITION F/ SHORT TRIP |
| | 1:30 - 3:00 | 1.50 | DRLPRV | 06 | E | P | | SHORT TRIP 10 STANDS, NO PROBLEMS |
| | 3:00 - 5:00 | 2.00 | DRLPRV | 05 | A | P | | CIRCULATE & CONDITION F/ CASING |
| | 5:00 - 11:30 | 6.50 | DRLPRV | 06 | A | P | | TRIP OUT OF HOLE LAY DOWN MWD, MOTOR, BIT PULL WEAR BUSHING |
| | 11:30 - 12:00 | 0.50 | DRLPRV | 14 | B | P | | |
| | 12:00 - 13:30 | 1.50 | CSGPRO | 12 | A | P | | SAFETY MEETING W/ KIMZEY & RIG UP CASERS |
| | 13:30 - 14:30 | 1.00 | CSGPRO | 12 | C | P | | RUN 4.5", 11.6#, I80 PRODUCTION CASING TO 929' KIMZEY HAVING PROBLEMS W/ POWER UNIT |
| | 14:30 - 16:30 | 2.00 | CSGPRO | 22 | L | Z | | *** EQUIP FAILURE*** CHANGE OUT POWER UNIT AND POWER TONGS, STILL NOT WORKING |
| | 16:30 - 18:00 | 1.50 | CSGPRO | 22 | L | Z | | ***EQUIPMENT FAILURE*** WAIT ON NEW EQUIPMENT AND RIG UP |
| | 18:00 - 20:00 | 2.00 | CSGPRO | 12 | C | P | | RUN 4.5" 11.6# , I80 PRODUCTION CASING TO 4260' |
| | 20:00 - 21:30 | 1.50 | CSGPRO | 22 | L | Z | | TROUBLE SHOOT POWER TONGS , CHANGE OUT POWER TONGS (THIS IS THE 4TH SET OF TONGS) |
| 10/4/2012 | 21:30 - 0:00 | 2.50 | CSGPRO | 12 | C | P | | RUN 4.5" 11.6# , I80 PRODUCTION CASING @ 8442' |
| | 0:00 - 0:30 | 0.50 | CSGPRO | 12 | C | P | | FINISH RUNNING 4.5", 11.6#, I80 PRODUCTION CASING (101 JTS LT&C , 114 JTS DQX) TO 9458', TOP OF FLOAT 9411' , TOP OF MARKER 7272', TOP OF X/O 5000' |
| | 0:30 - 2:30 | 2.00 | CSGPRO | 05 | D | P | | CIRCULATE OUT GAS, NO FLARE |

US ROCKIES REGION
Operation Summary Report

Well: MORGAN STATE 921-361BS BLUE

Spud Date: 8/5/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-361 PAD

Rig Name No: H&P 318/318, PROPETRO 11/11

Event: DRILLING

Start Date: 7/19/2012

End Date: 10/4/2012

Active Datum: RKB @5,059.00usft (above Mean Sea Level)

UWI: NE/SE/0/9/S/21/E/36/0/0/26/PM/S/2096/E/0/729/0/0

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation |
|------|-------------------|------------------|--------|------|-------------|-----|-------------------|---|
| | 2:30 - 8:00 | 5.50 | CSGPRO | 12 | E | P | | CEMENT PROD CASING, PRESSURE TEST TO 5050 PSI, DROP BOTTOM PLUG, PUMP 25 BBLS SPACER, 518 SX, PREMIUM LITE II CEMENT + 5 LBS/SACK KOL-SEAL, 50 LB BAG + 0.4% BWOC FL-52 + 0.4% BWOC SODIUM METASILICATE + 6% BWOC BENTONITE II + 0.05LBS/SACK STATIC FREE + 0.6% BWOC R-3 +0.25 LBS/SACK CELLO FLAKE + 100.1 FRESH WATER, 12.5#, 1.98 YLD, LEAD, 1105 SACKS (50:50) POZ (FLY ASH): CLASS G CEMENT + 0.05 LBS/SACK STATIC FREE + 10% BWOW SODIUM CHLORIDE + 0.2% BWOC R-3 + 0.5% BWOC EC-1 + 0.002 GPS FP-6L + 2% BWOC BENTONITE II + 58.9% FRESH WATER 14.3#, 1.32 YLD TAIL, SHUT DOWN WASH UP, DROP TOP PLUG, DISPLACE W/ 146.5 BBLS CLAY CARE + 1 GAL MAGNACIDE @ 8.34 PPG, FINAL LIFT 2715 PSI, BUMP PLUG @ 3400 PSI HELD F/ 5 MIN, FLOATS HELD, FULL RETURNS THROUGH OUT JOB, 8 BBLS SPACER NO CEMENT BACK TO SURFACE, TOP OF TAIL EST 4100', FLUSH STACK AND LINES, RIG DOWN CEMENTERS |
| | 6:00 - 7:00 | 1.00 | DRLPRV | 14 | B | P | | SET PACKOFF TOOL, LAY DOWN LANDING JOINT |
| | 7:00 - 8:00 | 1.00 | DRLPRV | 14 | A | P | | NIPPLE DOWN BOP & EQUIPMENT, RELEASE RIG @ 08:00 10/4/2012 TO MORGAN STATE 921-36H4CS |

1 General

1.1 Customer Information

| | |
|----------------|-------------------|
| Company | US ROCKIES REGION |
| Representative | |
| Address | |

1.2 Well/Wellbore Information

| | | | |
|--------------|---|---------------|--|
| Well | MORGAN STATE 921-361BS BLUE | Wellbore No. | OH |
| Well Name | MORGAN STATE 921-361BS | Wellbore Name | MORGAN STATE 921-361BS |
| Report No. | 1 | Report Date | 12/5/2012 |
| Project | UTAH-UINTAH | Site | MORGAN STATE 921-361 PAD |
| Rig Name/No. | | Event | COMPLETION |
| Start Date | 12/5/2012 | End Date | 2/1/2013 |
| Spud Date | 8/5/2012 | Active Datum | RKB @5,059.00usft (above Mean Sea Level) |
| UWI | NE/SE/O9/S/21/E/36/O/0/26/PM/S/2096/E/O/729/O/O | | |

1.3 General

| | | | | | |
|---------------------|--|-----------------|--|------------|--|
| Contractor | | Job Method | | Supervisor | |
| Perforated Assembly | | Conveyed Method | | | |

1.4 Initial Conditions

| | | | |
|-------------------|---------|--------------------|--|
| Fluid Type | | Fluid Density | |
| Surface Press | | Estimate Res Press | |
| TVD Fluid Top | | Fluid Head | |
| Hydrostatic Press | | Press Difference | |
| Balance Cond | NEUTRAL | | |

1.5 Summary

| | | | |
|------------------|-------------------------------|--------------------------|-------------------|
| Gross Interval | 6,198.0 (usft)-9,287.0 (usft) | Start Date/Time | 1/21/2013 12:00AM |
| No. of Intervals | 57 | End Date/Time | 1/21/2013 12:00AM |
| Total Shots | 228 | Net Perforation Interval | 74.00 (usft) |
| Avg Shot Density | 3.08 (shot/ft) | Final Surface Pressure | |
| | | Final Press Date | |

2 Intervals

2.1 Perforated Interval

| Date | Formation/ Reservoir | CCL@ (usft) | CCL-T S (usft) | MD Top (usft) | MD Base (usft) | Shot Density (shot/ft) | Misfires/ Add. Shot | Diameter (in) | Carr Type /Stage No | Carr. Size (in) | Phasing (°) | Charge Desc /Charge Manufacturer | Charge Weight (gram) | Reason | Misrun |
|----------------------|-------------------------|----------------|----------------------|------------------|-------------------|------------------------------|------------------------|------------------|---------------------|-----------------------|----------------|-------------------------------------|----------------------------|----------------|--------|
| 1/21/2013 12:00AM | WASATCH/ | | | 6,198.0 | 6,200.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |

2.1 Perforated Interval (Continued)

| Date | Formation/ Reservoir | CCL@ (usft) | CCL-T S (usft) | MD Top (usft) | MD Base (usft) | Shot Density (shot/ft) | Misfires/ Add. Shot | Diameter (in) | Carr Type /Stage No | Carr Size (in) | Phasing (°) | Charge Desc /Charge Manufacturer | Charge Weight (gram) | Reason | Misrun |
|----------------------|-------------------------|----------------|----------------------|------------------|-------------------|------------------------------|------------------------|------------------|---------------------|----------------------|----------------|-------------------------------------|----------------------------|----------------|--------|
| 1/21/2013 12:00AM | WASATCH/ | | | 6,471.0 | 6,472.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | WASATCH/ | | | 6,480.0 | 6,482.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | WASATCH/ | | | 6,497.0 | 6,499.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | WASATCH/ | | | 6,565.0 | 6,566.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | WASATCH/ | | | 6,647.0 | 6,649.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | WASATCH/ | | | 6,691.0 | 6,693.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | WASATCH/ | | | 6,824.0 | 6,826.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | WASATCH/ | | | 7,079.0 | 7,081.0 | 4.00 | | 0.360 | EXP/ | 3.375 | 90.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | WASATCH/ | | | 7,177.0 | 7,178.0 | 4.00 | | 0.360 | EXP/ | 3.375 | 90.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | WASATCH/ | | | 7,195.0 | 7,197.0 | 4.00 | | 0.360 | EXP/ | 3.375 | 90.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | WASATCH/ | | | 7,236.0 | 7,237.0 | 4.00 | | 0.360 | EXP/ | 3.375 | 90.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 7,330.0 | 7,332.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 7,362.0 | 7,363.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 7,399.0 | 7,400.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 7,468.0 | 7,470.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 7,560.0 | 7,561.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 7,568.0 | 7,569.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 7,609.0 | 7,610.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 7,680.0 | 7,681.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 7,691.0 | 7,692.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 7,710.0 | 7,711.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |

2.1 Perforated Interval (Continued)

| Date | Formation/ Reservoir | CCL@ (usft) | CCL-T S (usft) | MD Top (usft) | MD Base (usft) | Shot Density (shot/ft) | Misfires/ Add. Shot | Diameter (in) | Carr Type /Stage No | Carr Size (in) | Phasing (°) | Charge Desc /Charge Manufacturer | Charge Weight (gram) | Reason | Misrun |
|----------------------|-------------------------|----------------|----------------------|------------------|-------------------|------------------------------|------------------------|------------------|---------------------|----------------------|----------------|-------------------------------------|----------------------------|----------------|--------|
| 1/21/2013 12:00AM | MESAVERDE/ | | | 7,725.0 | 7,726.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 7,770.0 | 7,771.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 7,819.0 | 7,820.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 7,842.0 | 7,843.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 7,921.0 | 7,922.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 7,957.0 | 7,959.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 7,994.0 | 7,995.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 8,031.0 | 8,032.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 8,055.0 | 8,056.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 8,179.0 | 8,181.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 8,261.0 | 8,262.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 8,310.0 | 8,311.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 8,374.0 | 8,376.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 8,395.0 | 8,396.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 8,409.0 | 8,410.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 8,429.0 | 8,430.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 8,461.0 | 8,462.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 8,561.0 | 8,562.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 8,600.0 | 8,601.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 8,633.0 | 8,634.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 8,646.0 | 8,647.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |

2.1 Perforated Interval (Continued)

| Date | Formation/ Reservoir | CCL@ (usft) | CCL-T S (usft) | MD Top (usft) | MD Base (usft) | Shot Density (shot/ft) | Misfires/ Add. Shot | Diameter r (in) | Carr Type /Stage No | Carr Size (in) | Phasing (°) | Charge Desc /Charge/ Manufacturer | Charge Weight (gram) | Reason | Misrun |
|----------------------|-------------------------|----------------|----------------------|------------------|-------------------|------------------------------|------------------------|-----------------------|---------------------|----------------------|----------------|--------------------------------------|----------------------------|----------------|--------|
| 1/21/2013 12:00AM | MESAVERDE/ | | | 8,669.0 | 8,670.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 8,741.0 | 8,742.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 8,789.0 | 8,791.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 8,821.0 | 8,822.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 8,836.0 | 8,837.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 8,906.0 | 8,907.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 8,939.0 | 8,940.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 8,966.0 | 8,967.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 8,975.0 | 8,976.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 9,005.0 | 9,006.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 9,042.0 | 9,043.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 9,086.0 | 9,088.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 9,141.0 | 9,143.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 1/21/2013 12:00AM | MESAVERDE/ | | | 9,285.0 | 9,287.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |

3 Plots

US ROCKIES REGION
Operation Summary Report

Well: MORGAN STATE 921-361BS BLUE

Spud Date: 8/5/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-361 PAD

Rig Name No: ROCKY MOUNTAIN WELL SERVICE
3/3

Event: COMPLETION

Start Date: 12/5/2012

End Date: 2/1/2013

Active Datum: RKB @5,059.00usft (above Mean Sea Level)

UWI: NE/SE/0/9/S/21/E/36/0/0/26/PM/S/2096/E/0/729/0/0

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation |
|-----------|-------------------|------------------|--------|------|-------------|-----|-------------------|---|
| 8/5/2012 | - | | | | | | | |
| 12/5/2012 | 11:00 - 11:15 | 0.25 | FRAC | 33 | C | P | | RU HOT OILER, FILLED SURFACE WITH 1 BBLS H2O PRESSURED 8 5/8 X 4 1/2 ANNULAR TO 1500 PSI, NO BLEED OFF , BLED WELL OFF MOVED TO NEXT WELL |
| 12/6/2012 | - | | | | | | | |
| 1/15/2013 | 11:30 - 12:15 | 0.75 | FRAC | 33 | C | P | | FILL SURFACE CSG. MIRU CAMERON QUICK TEST. 1ST PSI TEST T/ 7000 PSI. HELD FOR 15 MIN LOST 61 PSI. NO COMMUNICATION OR MIGRATION WITH SURFACE CSG BLEED OFF PSI. MOVE T/ NEXT WELL.SWIFN |
| 1/21/2013 | 8:00 - 13:00 | 5.00 | SUBSPR | 37 | B | P | | HSM, EQUALIZING WELL, MIRU CASD HOLE SOLUTONS, PERF MESAVERDE USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS PERSAY IN PROCEDURE, |

US ROCKIES REGION

Operation Summary Report

Well: MORGAN STATE 921-361BS BLUE

Spud Date: 8/5/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-361 PAD

Rig Name No: ROCKY MOUNTAIN WELL SERVICE
3/3

Event: COMPLETION

Start Date: 12/5/2012

End Date: 2/1/2013

Active Datum: RKB @5,059.00usft (above Mean Sea
Level)

UWI: NE/SE/0/9/S/21/E/36/0/0/26/PM/S/2096/E/0/729/0/0

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation |
|-----------|-------------------|------------------|-------|------|-------------|-----|-------------------|--|
| 1/22/2013 | 7:00 - 17:00 | 10.00 | FRAC | 36 | B | P | | <p>PERF & FRAC FOLLOWING WELL AS PER DESIGN W/ 30/50 MESH SAND & SLK WTR. ALL CBP'S ARE HALIBURTON 8K CBP'S. REFER TO STIM PJR FOR FLUID, SAND AND CHEMICAL VOLUME PUMP'D</p> <p>FRAC STG #1] WHP=1,624#, BRK DN PERFS=3,574#, @=4.2 BPM, INJ RT=50.9, INJ PSI=5,517#, INITIAL ISIP=2,778#, INITIAL FG=.74, FINAL ISIP=3,074#, FINAL FG=.77, AVERAGE RATE=49.8, AVERAGE PRESSURE=5,472#, MAX RATE=51, MAX PRESSURE=6,228#, NET PRESSURE INCREASE=296#, 21/21 100% CALC PERFS OPEN. X OVER TO WIRE LINE</p> <p>PERF STG #2] P/U RIH W/ HALIBURTON 8K CBP & PERF GUN, SET CBP @=9,016', PERF MESAVERDE USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS PERSAY IN PROCEDURE, X OVER TO FRAC CREW</p> <p>FRAC STG #2] WHP=2,185#, BRK DN PERFS=3,804#, @=4.7 BPM, INJ RT=49.3, INJ PSI=5,406#, INITIAL ISIP=2,372#, INITIAL FG=.70, FINAL ISIP=2,943#, FINAL FG=.77, AVERAGE RATE=49.1, AVERAGE PRESSURE=4,830#, MAX RATE=50.3, MAX PRESSURE=5,828#, NET PRESSURE INCREASE=571#, 20/21 95% CALC PERFS OPEN. X OVER TO WIRE LINE</p> <p>PERF STG #3] P/U RIH W/ HALIBURTON 8K CBP & PERF GUN, SET CBP @=8,801', PERF MESAVERDE USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS PERSAY IN PROCEDURE, X OVER TO FRAC CREW</p> <p>FRAC STG #3] WHP=2,108#, BRK DN PERFS=2,695#, @=5.1 BPM, INJ RT=49.9, INJ PSI=4,536#, INITIAL ISIP=2,181#, INITIAL FG=.69, FINAL ISIP=2,650#, FINAL FG=.74, AVERAGE RATE=49.5, AVERAGE PRESSURE=4,391#, MAX RATE=52.8, MAX PRESSURE=5,574#, NET PRESSURE INCREASE=469#, 24/24 100% CALC PERFS OPEN. X OVER TO WIRE LINE</p> <p>PERF STG #4] P/U RIH W/ HALIBURTON 8K CBP & PERF GUN, SET CBP @=8,492', PERF MESAVERDE USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS PERSAY IN PROCEDURE, X OVER TO FRAC CREW SWFN</p> |

US ROCKIES REGION

Operation Summary Report

Well: MORGAN STATE 921-361BS BLUE

Spud Date: 8/5/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-361 PAD

Rig Name No: ROCKY MOUNTAIN WELL SERVICE
3/3

Event: COMPLETION

Start Date: 12/5/2012

End Date: 2/1/2013

Active Datum: RKB @5,059.00usft (above Mean Sea
Level)

UWI: NE/SE/0/9/S/21/E/36/0/0/26/PM/S/2096/E/0/729/0/0

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation |
|-----------|-------------------|------------------|-------|------|-------------|-----|-------------------|---|
| 1/23/2013 | 7:00 - 17:30 | 10.50 | FRAC | 36 | B | P | | <p>FRAC STG #4] WHP=1,553#, BRK DN PERFS=3,849#, @=4.9 BPM, INJ RT=49.8, INJ PSI=5,036#, INITIAL ISIP=2,181#, INITIAL FG=.70, FINAL ISIP=2,588#, FINAL FG=.75, AVERAGE RATE=49.8, AVERAGE PRESSURE=4,585#, MAX RATE=50.5, MAX PRESSURE=5,530#, NET PRESSURE INCREASE=412#, 21/24 88% CALC PERFS OPEN. X OVER TO WIRE LINE</p> <p>PERF STG #5] P/U RIH W/ HALIBURTON 8K CBP & PERF GUN, SET CBP @=8,211', PERF MESAVERDE USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS PERSAY IN PROCEDURE, X OVER TO FRAC CREW</p> <p>FRAC STG #5] WHP=1,267#, BRK DN PERFS=2,974#, @=5 BPM, INJ RT=49.8, INJ PSI=4,970#, INITIAL ISIP=2,030#, INITIAL FG=.69, FINAL ISIP=2,627#, FINAL FG=.76, AVERAGE RATE=48.3, AVERAGE PRESSURE=4,584#, MAX RATE=52.8, MAX PRESSURE=5,858#, NET PRESSURE INCREASE=597#, 20/24 83% CALC PERFS OPEN. X OVER TO WIRE LINE</p> <p>PERF STG #6] P/U RIH W/ HALIBURTON 8K CBP & PERF GUN, SET CBP @=7,873', PERF MESAVERDE USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS PERSAY IN PROCEDURE, X OVER TO FRAC CREW [MISS FIRE, TOP GUN ON STRING DID NOT SHOOT, POOH FIX PROBLEM AND SHOOT TOP INTERVAL]</p> <p>FRAC STG #6] WHP=213#, BRK DN PERFS=3,153#, @=4.7 BPM, INJ RT=50, INJ PSI=4,167#, INITIAL ISIP=1,859#, INITIAL FG=.68, FINAL ISIP=2,552#, FINAL FG=.77, AVERAGE RATE=49.7, AVERAGE PRESSURE=4,466#, MAX RATE=50.5, MAX PRESSURE=4,858#, NET PRESSURE INCREASE=693#, 24/24 100% CALC PERFS OPEN. X OVER TO WIRE LINE</p> <p>PERF STG #7] P/U RIH W/ HALIBURTON 8K CBP & PERF GUN, SET CBP @=7,599', PERF MESAVERDE USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS PERSAY IN PROCEDURE, X OVER TO FRAC CREW SWMFN HSM, WORKING AROUND WIRELINE</p> |
| 1/24/2013 | 7:00 - 7:15 | 0.25 | FRAC | 48 | | P | | |

US ROCKIES REGION

Operation Summary Report

Well: MORGAN STATE 921-361 BS BLUE

Spud Date: 8/5/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-361 PAD

Rig Name No: ROCKY MOUNTAIN WELL SERVICE
3/3

Event: COMPLETION

Start Date: 12/5/2012

End Date: 2/1/2013

Active Datum: RKB @5,059.00usft (above Mean Sea
Level)

UWI: NE/SE/0/9/S/21/E/36/0/0/26/PM/S/2096/E/0/729/0/0

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation |
|------|-------------------|------------------|-------|------|-------------|-----|-------------------|---|
| | 7:15 - 14:30 | 7.25 | FRAC | 36 | B | P | | <p>FRAC STG #7] WHP=1,262#, BRK DN PERFS=2,651#, @=4.5 BPM, INJ RT=49.8, INJ PSI=5,182#, INITIAL ISIP=1,448#, INITIAL FG=.63, FINAL ISIP=2,338#, FINAL FG=.75, AVERAGE RATE=49.8, AVERAGE PRESSURE=3,992#, MAX RATE=50.5, MAX PRESSURE=4,858#, NET PRESSURE INCREASE=890#, 16/24 67% CALC PERFS OPEN. X OVER TO WIRE LINE</p> <p>PERF STG #8] P/U RIH W/ HALIBURTON 8K CBP & PERF GUN, SET CBP @=7,267', PERF WASATCH USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS PERSAY IN PROCEDURE, X OVER TO FRAC CREW</p> <p>FRAC STG #8] WHP=808#, BRK DN PERFS=2,511#, @=4 BPM, INJ RT=49.4, INJ PSI=2,306#, INITIAL ISIP=1,093#, INITIAL FG=.59, FINAL ISIP=2,180#, FINAL FG=.74, AVERAGE RATE=49, AVERAGE PRESSURE=4,159#, MAX RATE=50.2, MAX PRESSURE=5,023#, NET PRESSURE INCREASE=1,087#, 18/24 75% CALC PERFS OPEN. X OVER TO WIRE LINE</p> <p>PERF STG #9] P/U RIH W/ HALIBURTON 8K CBP & PERF GUN, SET CBP @=6,856', PERF WASATCH USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS PERSAY IN PROCEDURE, X OVER TO FRAC CREW</p> <p>FRAC STG #9] WHP=0#, BRK DN PERFS=2,158#, @=5.1 BPM, INJ RT=41.5, INJ PSI=4,913#, INITIAL ISIP=1,243#, INITIAL FG=.62, FINAL ISIP=1,934#, FINAL FG=.73, AVERAGE RATE=49.6, AVERAGE PRESSURE=4,369#, MAX RATE=52.4, MAX PRESSURE=5,300#, NET PRESSURE INCREASE=691#, 13/21 62% CALC PERFS OPEN. X OVER TO WIRE LINE</p> <p>PERF STG #10] P/U RIH W/ HALIBURTON 8K CBP & PERF GUN, SET CBP @=6,529', PERF WASATCH USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS PERSAY IN PROCEDURE, X OVER TO FRAC CREW</p> <p>FRAC STG #10] WHP=896#, BRK DN PERFS=1,806#, @=5.5 BPM, INJ RT=49.6, INJ PSI=3,339#, INITIAL ISIP=1,386#, INITIAL FG=.66, FINAL ISIP=1,623#, FINAL FG=.69, AVERAGE RATE=49.1, AVERAGE PRESSURE=3,336#, MAX RATE=50.3, MAX PRESSURE=4,050#, NET PRESSURE INCREASE=237#, 21/21 100% CALC PERFS OPEN. X OVER TO WIRE LINE</p> <p>P/U RIH W/ HALIBURTON 8K CBP, SET FOR TOP KILL @=6,148</p> <p>TOTAL FLUID PUMP'D=9,913 BBLS</p> |

US ROCKIES REGION

Operation Summary Report

Well: MORGAN STATE 921-361BS BLUE

Spud Date: 8/5/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-361 PAD

Rig Name No: ROCKY MOUNTAIN WELL SERVICE
3/3

Event: COMPLETION

Start Date: 12/5/2012

End Date: 2/1/2013

Active Datum: RKB @5,059.00usft (above Mean Sea Level)

UWI: NE/SE/0/9/S/21/E/36/0/0/26/PM/S/2096/E/0/729/0/0

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation |
|-----------|-------------------|------------------|--------|------|-------------|-----|-------------------|---|
| 1/31/2013 | 7:00 - 7:30 | 0.50 | DRLOUT | 48 | | P | | TOTAL SAND PUMP'D=222,266# |
| | 7:30 - 9:30 | 2.00 | DRLOUT | 30 | A | P | | jsa-safety meeting |
| | 9:30 - 15:00 | 5.50 | DRLOUT | 31 | I | P | | MIRU SERVICE UNIT, N/D WH, N/U BOPS, P/U 3 7/8" BIT AND POBS, RIH W/ 2 3/8" L-80 TBG W/ TALLY TBG IN WELL, TAG KILL PLUG, R/U DRILLING EQUIPT, PREPARE TO DRILL OUT IN AM, SWI SDFN |
| 2/1/2013 | 7:00 - 7:15 | 0.25 | DRLOUT | 48 | | P | | JSA-SAFETY MEETING |

US ROCKIES REGION
Operation Summary Report

Well: MORGAN STATE 921-361BS BLUE

Spud Date: 8/5/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-361 PAD

Rig Name No: ROCKY MOUNTAIN WELL SERVICE
3/3

Event: COMPLETION

Start Date: 12/5/2012

End Date: 2/1/2013

Active Datum: RKB @5,059.00usft (above Mean Sea Level)

UWI: NE/SE/0/9/S/21/E/36/0/0/26/PM/S/2096/E/0/729/0/0

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation |
|------|-------------------|------------------|--------|------|-------------|-----|-------------------|--|
| | 7:15 - 15:00 | 7.75 | DRLOUT | 44 | C | P | | <p>NO PRESSURE ON WELL, PRESSURE TEST CSG AND BOPS TO 2500# OK, RIH TAG SAND @ 6140', ESTB CIRC DN TBG OUT CSG, C/O SAND TO 6148' (DRLG CBP # 1) 6148', DRILL OUT HALLIBURTON 8K CBP IN 5 MIN, 250# DIFF, RIH TAG SAND @ 6504 ', C/O 25 ' SAND, FCP = 25 #,</p> <p>DRLG CBP # 2) 6529', DRILL OUT HALLIBURTON 8K CBP IN 7 MIN, 100 # DIFF, RIH TAG SAND @ 6826', C/O 30 ' SAND, FCP = 25 #,</p> <p>DRLG CBP # 3) 6856', DRILL OUT HALLIBURTON 8K CBP IN 5 MIN, 0 # DIFF, RIH TAG SAND @ 7237 ', C/O 30' SAND, FCP = 25 #,</p> <p>DRLG CBP # 4) 7267', DRILL OUT HALLIBURTON 8K CBP IN 7 MIN, 350 # DIFF, RIH TAG SAND @ 7569 ', C/O 30 ' SAND, FCP = 50 #,</p> <p>DRLG CBP # 5) 7599', DRILL OUT HALLIBURTON 8K CBP IN 7 MIN, 350 # DIFF, RIH TAG SAND @ 7843 ', C/O 30 ' SAND, FCP = 75 #,</p> <p>DRLG CBP # 6) 7873', DRILL OUT HALLIBURTON 8K CBP IN 7 MIN, 450# DIFF, RIH TAG SAND @ 8181 ', C/O 30 ' SAND, FCP = 100 #,</p> <p>DRLG CBP # 7) 8211', DRILL OUT HALLIBURTON 8K CBP IN 10 MIN, 800# DIFF, RIH TAG SAND @ 8452 ', C/O 50 ' SAND, FCP = 200#,</p> <p>DRLG CBP # 8) 8492', DRILL OUT HALLIBURTON 8K CBP IN 6 MIN, 1000 # DIFF, RIH TAG SAND @ 8776 ', C/O 25 ' SAND, FCP = 450 #</p> <p>DRLG CBP # 9) 8801', DRILL OUT HALLIBURTON 8K CBP IN 6 MIN, 850 # DIFF, RIH TAG SAND @ 8991', C/O 25 ' SAND, FCP = 600 #,</p> <p>DRLG CBP # 10) 9016', DRILL OUT HALLIBURTON 8K CBP IN 10 MIN, 800 # DIFF, RIH TAG SAND @ 9383 ', PBTD, FCP = 450 #, CIRC WELL CLEAN, P/O LAY DN 19 JTS ON TRAILER, R/D SWIVEL, LAND TBG IN WELL W/ 277 JTS 2 3/8" L80 TBG @ 8788', N/D BOPS, N/U WH, DROP BALL DN TBG, PUMP BIT OFF @ 2100 #, TURN WELL OVER TO FLOW BACK CREW W/ 8,894 BBLS WTR LEFT TO RECOVER. R/D UNIT MOVE TO NEXT WELL,</p> <p>KB = 24.00' HANGER = .83' 277 JTS 2 3/8" L-80 TBG = 8760.92'</p> |

US ROCKIES REGION

Operation Summary Report

Well: MORGAN STATE 921-361BS BLUE

Spud Date: 8/5/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-361 PAD

Rig Name No: ROCKY MOUNTAIN WELL SERVICE
3/3

Event: COMPLETION

Start Date: 12/5/2012

End Date: 2/1/2013

Active Datum: RKB @5,059.00usft (above Mean Sea
Level)

UWI: NE/SE/0/9/S/21/E/36/0/0/26/PM/S/2096/E/0/729/0/0

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation |
|----------|-------------------|------------------|--------|------|-------------|-----|-------------------|--|
| | | | | | | | | POBS X-N NIPPLE = 2.20' |
| | | | | | | | | EOT = 8787.95' |
| | | | | | | | | 315 JTS 2 3/8" L-80 TBG DELVERED |
| | | | | | | | | 277 JTS 2 3/8" L-80 TBG LANDED |
| | | | | | | | | 38 JTS 2 3/8" L-80 TBG RETURNED |
| | 15:00 - 15:00 | 0.00 | DRLOUT | 50 | | | | WELL IS TURNED TO SALES @ 1400 HR ON |
| | | | | | | | | 2/1/2013. 2400 MCFD, 1920 BWPD, FCP 2100#, FTP |
| | | | | | | | | 2360#, 20/64" CK. |
| 2/2/2013 | 7:00 - | | | 50 | | | | WELL IP'D ON 2/2/13 - 2208 MCFD, 0 BWPD, 0 |
| | | | | | | | | BOPD, CP 2322#, FTP 1707#, LP 161#, 24 HRS, CK |
| | | | | | | | | 20/64 |

WELL DETAILS: MORGAN STATE 921-361BS

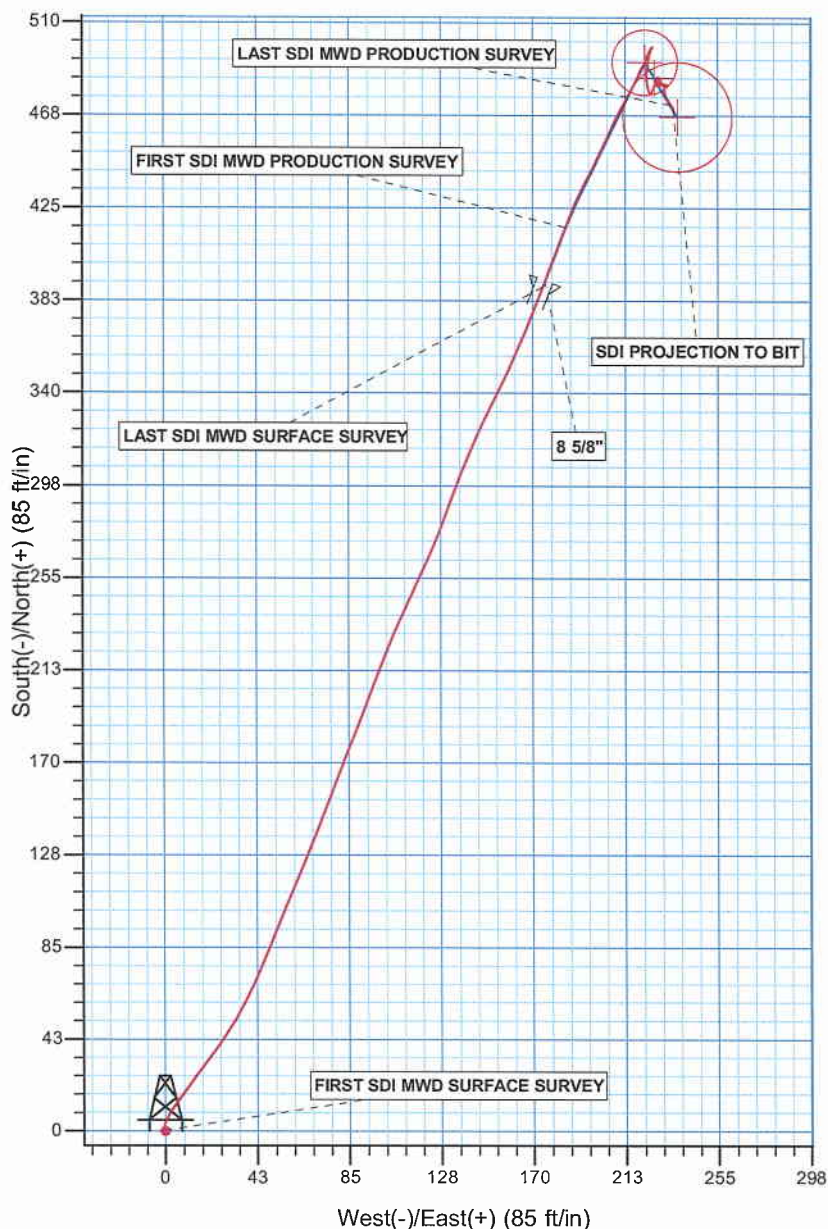
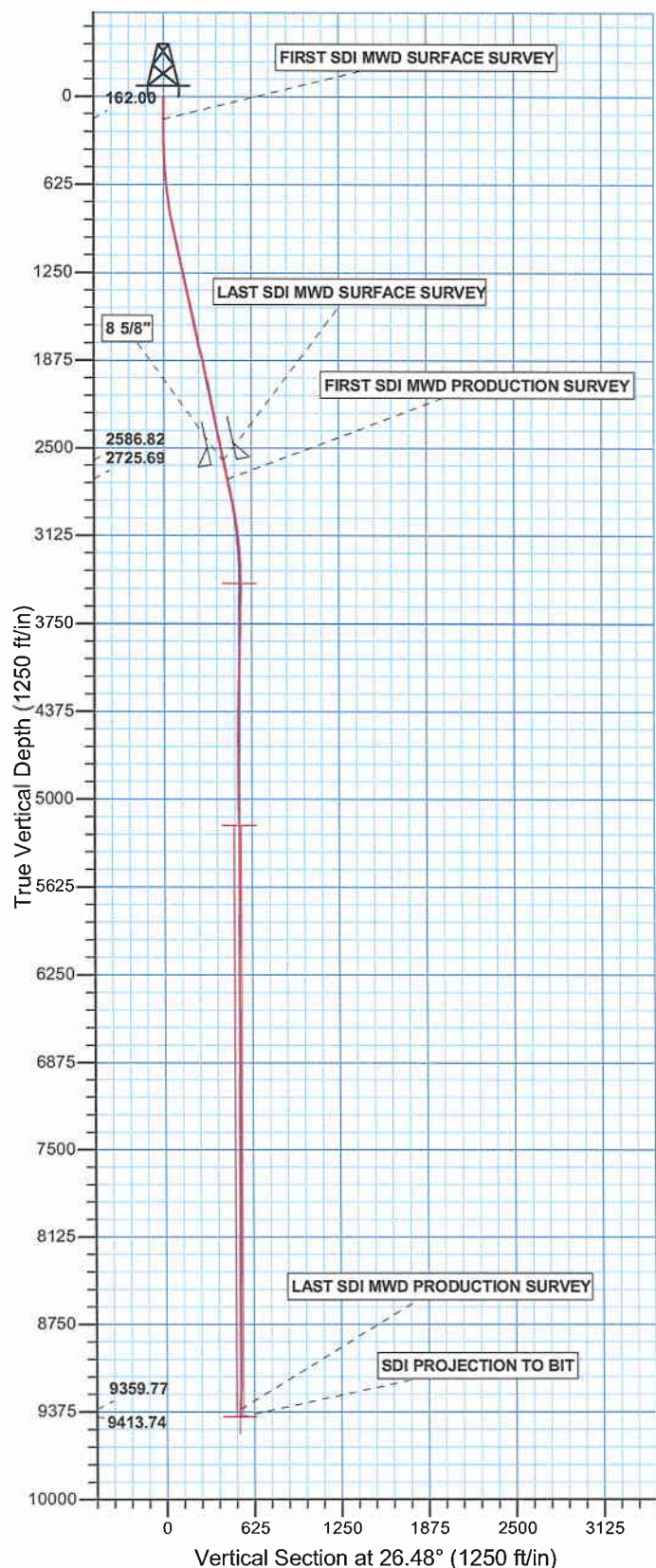
GL 5035 & KB 24 @ 5059.00ft (HP 318)

| +N/-S | +E/-W | Northing | Easting | Latitude | Longitude |
|-------|-------|-------------|------------|-----------|-------------|
| 0.00 | 0.00 | 14526377.63 | 2062646.31 | 39.991111 | -109.492577 |



Azimuths to True North
 Magnetic North: 11.01°

Magnetic Field
 Strength: 52278.3nT
 Dip Angle: 65.85°
 Date: 12/02/2011
 Model: IGRF2010



PROJECT DETAILS: UTAH - UTM (feet), NAD27, Zone 12N

Geodetic System: Universal Transverse Mercator (US Survey Feet)
 Datum: NAD 1927 (NADCON CONUS)
 Ellipsoid: Clarke 1866
 Zone: Zone 12N (114 W to 108 W)
 Location: SECTION 36 T9S R21E
 System Datum: Mean Sea Level

Design: OH (MORGAN STATE 921-361BS/OH)

Created By: Gabe Kendall Date: 11:38, October 11 2012



Scientific Drilling

US ROCKIES REGION PLANNING

UTAH - UTM (feet), NAD27, Zone 12N

MORGAN STATE 921-36I

MORGAN STATE 921-36I1BS

OH

Design: OH

Standard Survey Report

11 October, 2012

Anadarko 
Petroleum Corporation

| | | | |
|------------------|------------------------------------|-------------------------------------|--------------------------------------|
| Company: | US ROCKIES REGION PLANNING | Local Co-ordinate Reference: | Well MORGAN STATE 921-361BS |
| Project: | UTAH - UTM (feet), NAD27, Zone 12N | TVD Reference: | GL 5035 & KB 24 @ 5059.00ft (HP 318) |
| Site: | MORGAN STATE 921-361 | MD Reference: | GL 5035 & KB 24 @ 5059.00ft (HP 318) |
| Well: | MORGAN STATE 921-361BS | North Reference: | True |
| Wellbore: | OH | Survey Calculation Method: | Minimum Curvature |
| Design: | OH | Database: | EDM 5000.1 Single User Db |

| | | | |
|--------------------|--|----------------------|----------------|
| Project | UTAH - UTM (feet), NAD27, Zone 12N | | |
| Map System: | Universal Transverse Mercator (US Survey Feet) | System Datum: | Mean Sea Level |
| Geo Datum: | NAD 1927 (NADCON CONUS) | | |
| Map Zone: | Zone 12N (114 W to 108 W) | | |

| | | | | | |
|-----------------------|----------|---|--------------------|-------------------|-------------|
| Site | | MORGAN STATE 921-361, SECTION 36 T9S R21E | | | |
| Site Position: | | Northing: | 14,526,390.12 usft | Latitude: | 39.991146 |
| From: | Lat/Long | Easting: | 2,062,630.69 usft | Longitude: | -109.492632 |
| Position Uncertainty: | 0.00 ft | Slot Radius: | 13.200 in | Grid Convergence: | 0.97 ° |

| | | | | | | |
|----------------------|--|---------|---------------------|--------------------|---------------|-------------|
| Well | MORGAN STATE 921-361BS, 2096 FSL 729 FEL | | | | | |
| Well Position | +N/-S | 0.00 ft | Northing: | 14,526,377.64 usft | Latitude: | 39.991111 |
| | +E/-W | 0.00 ft | Easting: | 2,062,646.31 usft | Longitude: | -109.492577 |
| Position Uncertainty | | 0.00 ft | Wellhead Elevation: | ft | Ground Level: | 5,035.00 ft |

| | | | | | |
|------------------|-------------------|--------------------|------------------------|----------------------|----------------------------|
| Wellbore | OH | | | | |
| Magnetics | Model Name | Sample Date | Declination (°) | Dip Angle (°) | Field Strength (nT) |
| | IGRF2010 | 12/02/11 | 11.01 | 65.85 | 52,278 |

| | | | | | |
|--------------------------|------------------------------|-------------------|-------------------|----------------------|------|
| Design | OH | | | | |
| Audit Notes: | | | | | |
| Version: | 1.0 | Phase: | ACTUAL | Tie On Depth: | 0.00 |
| Vertical Section: | Depth From (TVD) (ft) | +N/-S (ft) | +E/-W (ft) | Direction (°) | |
| | 0.00 | 0.00 | 0.00 | 26.48 | |

| | | | | | |
|-----------------------|----------------|-----------------------------------|------------------|------------------------------|--|
| Survey Program | Date | 10/11/12 | | | |
| From (ft) | To (ft) | Survey (Wellbore) | Tool Name | Description | |
| 20.00 | 2,630.00 | Survey #1 SDI MWD SURFACE (OH) | SDI MWD | SDI MWD - Standard ver 1.0.1 | |
| 2,772.00 | 9,468.00 | Survey #2 SDI MWD PRODUCTION (OH) | SDI MWD | SDI MWD - Standard ver 1.0.1 | |

| | | | | | | | | | | |
|-------------------------------------|------------------------|--------------------|----------------------------|-------------------|-------------------|------------------------------|------------------------------|-----------------------------|----------------------------|--|
| Survey | | | | | | | | | | |
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) | |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 20.00 | 0.00 | 0.00 | 20.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 162.00 | 0.28 | 301.45 | 162.00 | 0.18 | -0.30 | 0.03 | 0.20 | 0.20 | 0.00 | |
| FIRST SDI MWD SURFACE SURVEY | | | | | | | | | | |
| 192.00 | 0.35 | 305.01 | 192.00 | 0.27 | -0.43 | 0.05 | 0.24 | 0.23 | 11.87 | |
| 275.00 | 0.97 | 354.58 | 274.99 | 1.12 | -0.71 | 0.68 | 0.95 | 0.75 | 59.72 | |
| 360.00 | 1.67 | 20.95 | 359.97 | 2.99 | -0.33 | 2.53 | 1.07 | 0.82 | 31.02 | |
| 452.00 | 2.73 | 24.20 | 451.90 | 6.24 | 1.04 | 6.05 | 1.16 | 1.15 | 3.53 | |
| 542.00 | 4.31 | 34.92 | 541.73 | 10.97 | 3.86 | 11.54 | 1.89 | 1.76 | 11.91 | |
| 632.00 | 6.24 | 35.89 | 631.35 | 17.70 | 8.66 | 19.71 | 2.15 | 2.14 | 1.08 | |

Company: US ROCKIES REGION PLANNING
Project: UTAH - UTM (feet), NAD27, Zone 12N
Site: MORGAN STATE 921-36I
Well: MORGAN STATE 921-361BS
Wellbore: OH
Design: OH

Local Co-ordinate Reference: Well MORGAN STATE 921-361BS
TVD Reference: GL 5035 & KB 24 @ 5059.00ft (HP 318)
MD Reference: GL 5035 & KB 24 @ 5059.00ft (HP 318)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 5000.1 Single User Db

Survey

| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
|--|-----------------|-------------|---------------------|------------|------------|-----------------------|-----------------------|----------------------|---------------------|
| 722.00 | 8.09 | 36.24 | 720.64 | 26.78 | 15.27 | 30.78 | 2.06 | 2.06 | 0.39 |
| 812.00 | 10.11 | 36.24 | 809.50 | 38.26 | 23.69 | 44.81 | 2.24 | 2.24 | 0.00 |
| 902.00 | 11.26 | 30.53 | 897.94 | 52.20 | 32.82 | 61.36 | 1.74 | 1.28 | -6.34 |
| 992.00 | 12.40 | 23.85 | 986.03 | 68.60 | 41.19 | 79.78 | 1.98 | 1.27 | -7.42 |
| 1,082.00 | 12.93 | 22.18 | 1,073.84 | 86.77 | 48.90 | 99.47 | 0.72 | 0.59 | -1.86 |
| 1,172.00 | 12.05 | 23.15 | 1,161.71 | 104.73 | 56.40 | 118.89 | 1.01 | -0.98 | 1.08 |
| 1,262.00 | 12.05 | 22.71 | 1,249.73 | 122.03 | 63.72 | 137.64 | 0.10 | 0.00 | -0.49 |
| 1,352.00 | 12.40 | 21.04 | 1,337.69 | 139.72 | 70.81 | 156.64 | 0.55 | 0.39 | -1.86 |
| 1,442.00 | 11.78 | 20.77 | 1,425.69 | 157.33 | 77.54 | 175.40 | 0.69 | -0.69 | -0.30 |
| 1,532.00 | 12.13 | 21.83 | 1,513.74 | 174.69 | 84.32 | 193.96 | 0.46 | 0.39 | 1.18 |
| 1,622.00 | 12.93 | 21.32 | 1,601.60 | 192.85 | 91.49 | 213.42 | 0.90 | 0.89 | -0.57 |
| 1,712.00 | 13.01 | 20.33 | 1,689.30 | 211.73 | 98.67 | 233.52 | 0.26 | 0.09 | -1.10 |
| 1,802.00 | 12.93 | 23.50 | 1,777.00 | 230.47 | 106.21 | 253.64 | 0.80 | -0.09 | 3.52 |
| 1,892.00 | 13.19 | 25.52 | 1,864.68 | 248.97 | 114.65 | 273.97 | 0.58 | 0.29 | 2.24 |
| 1,982.00 | 12.57 | 22.88 | 1,952.41 | 267.26 | 122.88 | 294.01 | 0.95 | -0.69 | -2.93 |
| 2,072.00 | 11.34 | 20.51 | 2,040.46 | 284.57 | 129.79 | 312.58 | 1.47 | -1.37 | -2.63 |
| 2,162.00 | 11.24 | 21.01 | 2,128.72 | 301.04 | 136.03 | 330.12 | 0.16 | -0.11 | 0.56 |
| 2,252.00 | 11.08 | 24.03 | 2,217.02 | 317.13 | 142.70 | 347.49 | 0.67 | -0.18 | 3.36 |
| 2,342.00 | 11.96 | 26.84 | 2,305.20 | 333.35 | 150.43 | 365.45 | 1.16 | 0.98 | 3.12 |
| 2,432.00 | 12.13 | 24.90 | 2,393.22 | 350.25 | 158.62 | 384.23 | 0.49 | 0.19 | -2.16 |
| 2,522.00 | 12.13 | 21.92 | 2,481.21 | 367.60 | 166.13 | 403.11 | 0.70 | 0.00 | -3.31 |
| 2,612.00 | 12.05 | 21.04 | 2,569.22 | 385.14 | 173.04 | 421.89 | 0.22 | -0.09 | -0.98 |
| 2,630.00 | 12.05 | 21.30 | 2,586.82 | 388.64 | 174.39 | 425.63 | 0.30 | 0.00 | 1.44 |
| LAST SDI MWD SURFACE SURVEY | | | | | | | | | |
| 2,772.00 | 12.05 | 20.40 | 2,725.69 | 416.34 | 184.94 | 455.13 | 0.13 | 0.00 | -0.63 |
| FIRST SDI MWD PRODUCTION SURVEY | | | | | | | | | |
| 2,866.00 | 12.30 | 27.38 | 2,817.58 | 434.43 | 192.97 | 474.90 | 1.59 | 0.27 | 7.43 |
| 2,961.00 | 10.82 | 25.23 | 2,910.65 | 451.49 | 201.42 | 493.93 | 1.62 | -1.56 | -2.26 |
| 3,055.00 | 8.79 | 25.41 | 3,003.28 | 465.96 | 208.27 | 509.94 | 2.16 | -2.16 | 0.19 |
| 3,149.00 | 7.74 | 28.75 | 3,096.30 | 477.99 | 214.39 | 523.44 | 1.23 | -1.12 | 3.55 |
| 3,244.00 | 5.28 | 24.97 | 3,190.68 | 487.57 | 219.32 | 534.21 | 2.63 | -2.59 | -3.98 |
| 3,338.00 | 3.43 | 21.89 | 3,284.40 | 494.10 | 222.19 | 541.33 | 1.98 | -1.97 | -3.28 |
| 3,433.00 | 1.85 | 33.14 | 3,379.30 | 498.02 | 224.09 | 545.69 | 1.74 | -1.66 | 11.84 |
| 3,527.00 | 0.44 | 206.81 | 3,473.29 | 498.97 | 224.76 | 546.83 | 2.43 | -1.50 | 184.76 |
| 3,622.00 | 0.79 | 191.61 | 3,568.28 | 498.00 | 224.46 | 545.84 | 0.40 | 0.37 | -16.00 |
| 3,716.00 | 0.88 | 201.63 | 3,662.27 | 496.69 | 224.06 | 544.49 | 0.18 | 0.10 | 10.66 |
| 3,811.00 | 0.79 | 195.39 | 3,757.26 | 495.38 | 223.62 | 543.12 | 0.13 | -0.09 | -6.57 |
| 3,905.00 | 1.14 | 194.68 | 3,851.25 | 493.85 | 223.21 | 541.57 | 0.37 | 0.37 | -0.76 |
| 3,999.00 | 1.06 | 194.77 | 3,945.23 | 492.11 | 222.75 | 539.80 | 0.09 | -0.09 | 0.10 |
| 4,094.00 | 1.41 | 183.87 | 4,040.21 | 490.09 | 222.45 | 537.86 | 0.44 | 0.37 | -11.47 |
| 4,188.00 | 1.85 | 181.06 | 4,134.17 | 487.42 | 222.34 | 535.43 | 0.48 | 0.47 | -2.99 |
| 4,282.00 | 1.93 | 179.13 | 4,228.12 | 484.32 | 222.34 | 532.65 | 0.11 | 0.09 | -2.05 |
| 4,376.00 | 0.88 | 167.96 | 4,322.09 | 482.03 | 222.52 | 530.68 | 1.15 | -1.12 | -11.88 |

Company: US ROCKIES REGION PLANNING
Project: UTAH - UTM (feet), NAD27, Zone 12N
Site: MORGAN STATE 921-36I
Well: MORGAN STATE 921-36I1BS
Wellbore: OH
Design: OH

Local Co-ordinate Reference: Well MORGAN STATE 921-36I1BS
TVD Reference: GL 5035 & KB 24 @ 5059.00ft (HP 318)
MD Reference: GL 5035 & KB 24 @ 5059.00ft (HP 318)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 5000.1 Single User Db

Survey

| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
|---------------------|-----------------|-------------|---------------------|------------|------------|-----------------------|-----------------------|----------------------|---------------------|
| 4,470.00 | 1.41 | 170.34 | 4,416.07 | 480.19 | 222.86 | 529.18 | 0.57 | 0.56 | 2.53 |
| 4,565.00 | 0.44 | 154.61 | 4,511.06 | 478.71 | 223.21 | 528.01 | 1.05 | -1.02 | -16.56 |
| 4,659.00 | 0.35 | 140.54 | 4,605.06 | 478.16 | 223.55 | 527.67 | 0.14 | -0.10 | -14.97 |
| 4,753.00 | 0.44 | 143.79 | 4,699.05 | 477.64 | 223.95 | 527.39 | 0.10 | 0.10 | 3.46 |
| 4,848.00 | 1.14 | 20.22 | 4,794.05 | 478.24 | 224.49 | 528.16 | 1.51 | 0.74 | -130.07 |
| 4,942.00 | 0.97 | 24.53 | 4,888.03 | 479.84 | 225.14 | 529.89 | 0.20 | -0.18 | 4.59 |
| 5,037.00 | 0.70 | 27.34 | 4,983.02 | 481.09 | 225.74 | 531.27 | 0.29 | -0.28 | 2.96 |
| 5,131.00 | 0.62 | 53.44 | 5,077.02 | 481.90 | 226.41 | 532.30 | 0.33 | -0.09 | 27.77 |
| 5,225.00 | 0.62 | 75.59 | 5,171.01 | 482.33 | 227.31 | 533.08 | 0.25 | 0.00 | 23.56 |
| 5,320.00 | 0.53 | 104.07 | 5,266.01 | 482.35 | 228.24 | 533.51 | 0.31 | -0.09 | 29.98 |
| 5,414.00 | 0.53 | 111.98 | 5,360.00 | 482.08 | 229.06 | 533.64 | 0.08 | 0.00 | 8.41 |
| 5,508.00 | 0.79 | 329.16 | 5,454.00 | 482.47 | 229.13 | 534.03 | 1.33 | 0.28 | -151.94 |
| 5,603.00 | 0.70 | 328.63 | 5,548.99 | 483.53 | 228.50 | 534.69 | 0.10 | -0.09 | -0.56 |
| 5,697.00 | 0.53 | 335.13 | 5,642.99 | 484.42 | 228.02 | 535.27 | 0.20 | -0.18 | 6.91 |
| 5,792.00 | 0.26 | 306.30 | 5,737.98 | 484.94 | 227.66 | 535.58 | 0.34 | -0.28 | -30.35 |
| 5,886.00 | 0.26 | 267.72 | 5,831.98 | 485.06 | 227.27 | 535.51 | 0.18 | 0.00 | -41.04 |
| 5,981.00 | 0.26 | 205.32 | 5,926.98 | 484.86 | 226.96 | 535.19 | 0.28 | 0.00 | -65.68 |
| 6,075.00 | 0.44 | 190.90 | 6,020.98 | 484.31 | 226.80 | 534.63 | 0.21 | 0.19 | -15.34 |
| 6,169.00 | 0.53 | 185.72 | 6,114.98 | 483.52 | 226.69 | 533.88 | 0.11 | 0.10 | -5.51 |
| 6,264.00 | 0.70 | 180.97 | 6,209.97 | 482.51 | 226.64 | 532.94 | 0.19 | 0.18 | -5.00 |
| 6,358.00 | 0.70 | 152.76 | 6,303.96 | 481.42 | 226.89 | 532.08 | 0.36 | 0.00 | -30.01 |
| 6,453.00 | 0.35 | 359.39 | 6,398.96 | 481.20 | 227.16 | 532.00 | 1.08 | -0.37 | -161.44 |
| 6,547.00 | 0.42 | 64.98 | 6,492.96 | 481.63 | 227.46 | 532.52 | 0.45 | 0.07 | 69.78 |
| 6,642.00 | 0.53 | 95.63 | 6,587.96 | 481.73 | 228.22 | 532.95 | 0.29 | 0.12 | 32.26 |
| 6,736.00 | 0.62 | 106.44 | 6,681.95 | 481.55 | 229.14 | 533.20 | 0.15 | 0.10 | 11.50 |
| 6,829.00 | 0.62 | 120.86 | 6,774.95 | 481.15 | 230.05 | 533.25 | 0.17 | 0.00 | 15.51 |
| 6,924.00 | 0.70 | 131.67 | 6,869.94 | 480.50 | 230.93 | 533.05 | 0.16 | 0.08 | 11.38 |
| 7,018.00 | 0.62 | 5.89 | 6,963.94 | 480.62 | 231.41 | 533.38 | 1.25 | -0.09 | -133.81 |
| 7,113.00 | 0.44 | 34.72 | 7,058.93 | 481.43 | 231.67 | 534.22 | 0.33 | -0.19 | 30.35 |
| 7,207.00 | 0.97 | 276.95 | 7,152.93 | 481.82 | 231.08 | 534.31 | 1.32 | 0.56 | -125.29 |
| 7,302.00 | 0.88 | 275.19 | 7,247.92 | 481.99 | 229.56 | 533.78 | 0.10 | -0.09 | -1.85 |
| 7,396.00 | 0.88 | 284.77 | 7,341.91 | 482.24 | 228.14 | 533.37 | 0.16 | 0.00 | 10.19 |
| 7,491.00 | 0.35 | 354.47 | 7,436.90 | 482.71 | 227.41 | 533.47 | 0.87 | -0.56 | 73.37 |
| 7,585.00 | 0.35 | 344.27 | 7,530.90 | 483.27 | 227.30 | 533.92 | 0.07 | 0.00 | -10.85 |
| 7,680.00 | 0.18 | 139.66 | 7,625.90 | 483.44 | 227.32 | 534.08 | 0.55 | -0.18 | 163.57 |
| 7,774.00 | 0.18 | 138.52 | 7,719.90 | 483.22 | 227.51 | 533.97 | 0.00 | 0.00 | -1.21 |
| 7,869.00 | 0.53 | 154.69 | 7,814.90 | 482.71 | 227.80 | 533.64 | 0.38 | 0.37 | 17.02 |
| 7,963.00 | 0.35 | 217.53 | 7,908.89 | 482.09 | 227.81 | 533.09 | 0.51 | -0.19 | 66.85 |
| 8,057.00 | 0.27 | 216.15 | 8,002.89 | 481.68 | 227.51 | 532.59 | 0.09 | -0.09 | -1.47 |
| 8,152.00 | 0.53 | 171.13 | 8,097.89 | 481.07 | 227.44 | 532.01 | 0.41 | 0.27 | -47.39 |
| 8,246.00 | 0.69 | 17.34 | 8,191.89 | 481.18 | 227.68 | 532.21 | 1.26 | 0.17 | -163.61 |
| 8,340.00 | 0.62 | 31.56 | 8,285.88 | 482.15 | 228.11 | 533.28 | 0.19 | -0.07 | 15.13 |
| 8,435.00 | 0.44 | 69.44 | 8,380.88 | 482.72 | 228.72 | 534.06 | 0.40 | -0.19 | 39.87 |
| 8,529.00 | 0.44 | 140.10 | 8,474.88 | 482.57 | 229.29 | 534.18 | 0.54 | 0.00 | 75.17 |

Company: US ROCKIES REGION PLANNING
Project: UTAH - UTM (feet), NAD27, Zone 12N
Site: MORGAN STATE 921-36I
Well: MORGAN STATE 921-36I1BS
Wellbore: OH
Design: OH

Local Co-ordinate Reference: Well MORGAN STATE 921-36I1BS
TVD Reference: GL 5035 & KB 24 @ 5059.00ft (HP 318)
MD Reference: GL 5035 & KB 24 @ 5059.00ft (HP 318)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 5000.1 Single User Db

Survey

| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
|---------------------------------------|-----------------|-------------|---------------------|------------|------------|-----------------------|-----------------------|----------------------|---------------------|
| 8,624.00 | 0.44 | 132.98 | 8,569.87 | 482.04 | 229.79 | 533.93 | 0.06 | 0.00 | -7.49 |
| 8,718.00 | 0.09 | 199.87 | 8,663.87 | 481.72 | 230.03 | 533.75 | 0.44 | -0.37 | 71.16 |
| 8,812.00 | 0.26 | 106.79 | 8,757.87 | 481.59 | 230.21 | 533.71 | 0.30 | 0.18 | -99.02 |
| 8,907.00 | 0.35 | 186.25 | 8,852.87 | 481.24 | 230.39 | 533.48 | 0.42 | 0.09 | 83.64 |
| 9,001.00 | 0.79 | 185.28 | 8,946.87 | 480.31 | 230.30 | 532.61 | 0.47 | 0.47 | -1.03 |
| 9,096.00 | 0.97 | 165.86 | 9,041.86 | 478.88 | 230.43 | 531.38 | 0.36 | 0.19 | -20.44 |
| 9,190.00 | 1.23 | 163.66 | 9,135.84 | 477.14 | 230.91 | 530.04 | 0.28 | 0.28 | -2.34 |
| 9,284.00 | 1.23 | 147.57 | 9,229.82 | 475.32 | 231.74 | 528.78 | 0.37 | 0.00 | -17.12 |
| 9,379.00 | 1.67 | 146.08 | 9,324.79 | 473.31 | 233.05 | 527.57 | 0.46 | 0.46 | -1.57 |
| 9,414.00 | 1.93 | 150.21 | 9,359.77 | 472.37 | 233.63 | 526.99 | 0.83 | 0.74 | 11.80 |
| LAST SDI MWD PRODUCTION SURVEY | | | | | | | | | |
| 9,468.00 | 1.93 | 150.21 | 9,413.74 | 470.80 | 234.54 | 525.98 | 0.00 | 0.00 | 0.00 |
| SDI PROJECTION TO BIT | | | | | | | | | |

Casing Points

| Measured Depth (ft) | Vertical Depth (ft) | Name | Casing Diameter (in) | Hole Diameter (in) |
|---------------------|---------------------|--------|----------------------|--------------------|
| 2,646.00 | 2,602.47 | 8 5/8" | 8.625 | 11.000 |

Design Annotations

| Measured Depth (ft) | Vertical Depth (ft) | Local Coordinates | | Comment |
|---------------------|---------------------|-------------------|------------|---------------------------------|
| | | +N/-S (ft) | +E/-W (ft) | |
| 162.00 | 162.00 | 0.18 | -0.30 | FIRST SDI MWD SURFACE SURVEY |
| 2,630.00 | 2,586.82 | 388.64 | 174.39 | LAST SDI MWD SURFACE SURVEY |
| 2,772.00 | 2,725.69 | 416.34 | 184.94 | FIRST SDI MWD PRODUCTION SURVEY |
| 9,414.00 | 9,359.77 | 472.37 | 233.63 | LAST SDI MWD PRODUCTION SURVEY |
| 9,468.00 | 9,413.74 | 470.80 | 234.54 | SDI PROJECTION TO BIT |

Checked By: _____ Approved By: _____ Date: _____